survival held during the current session by a subcommittee of the Committee on Government Operations;

H. Con. Res. 262. Concurrent resolution authorizing the Joint Committee on Atomic Energy to print 40,000 additional copies of the hearings of the Research and Development Subcommittee on "Progress Report on Research in Medicine, Biology, and Agriculture Using Radioactive Isotopes";

H. Con. Res. 263. Concurrent resolution authorizing additional copies of the hearing on Labor-Management Problems of the American Merchant Marine; and

H. Con. Res. 269. Concurrent resolution authorizing a correction in enrolled bill H. R. 8008.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 4164. An act to provide for the appointment of a Federal Highway Administrator in the Department of Commerce, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 9396. An act to amend the Tariff Act of 1930 to place guar seed on the free list;

H. R. 9875. An act to amend the Internal Revenue Code of 1954 to provide that the tax on admissions shall apply only if the amount paid on admissions exceeds $1;

H. R. 10177. An act to amend the Tariff Act of 1930 to provide that certain lathes used for shoe last roughing or for shoe last finishing may be imported into the United States free of duty;

H. R. 11554. An act to amend certain provisions of title XI of the Merchant Marine Act, 1936, as amended, to facilitate private financing of merchant vessels in the interest of national defense, and for other purposes; and

H. R. 12270. An act to authorize certain construction at military installations, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 12080. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. KERR, Mr. GORE, Mr. CASE of South Dakota, and Mr. HRUSKA to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3957) entitled "An act for the relief of Pauline H. Corbett."

The message also announced that the Senate recedes from its amendment to the bill H. R. 9591, entitled "An act to amend the act of August 31, 1954 (68 Stat. 1037), relating to the acquisition of non-Federal land within the existing boundaries of any national park, and for other purposes."

ADJUSTMENT OF RATES OF COMPENSATION OF HEADS OF EXECUTIVE DEPARTMENTS—CIVIL SERVICE RETIREMENT

Mr. MURRAY of Tennessee submitted the following conference report and statement on the bill (H. R. 7619) to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes:

CONFERENCE REPORT (H. REPT No. 2935)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7619) to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—BASIC COMPENSATION FOR HEADS OF EXECUTIVE DEPARTMENTS AND OTHER FEDERAL OFFICIALS

"SEC. 101. This title may be cited as 'Federal Executive Pay Act of 1956'.

"SEC. 102. The annual rate of basic compensation of each of the offices or positions listed in this section shall be $25,000.

"(1) Secretary of State.
"(2) Secretary of the Treasury.
"(3) Secretary of Defense.
"(4) Attorney General.
"(5) Postmaster General.
"(6) Secretary of the Interior.
"(7) Secretary of Agriculture.
"(8) Secretary of Commerce.
"(9) Secretary Labor.
"(10) Secretary of Health, Education, and Welfare.

"SEC. 103. (a) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $22,500.

"(1) Director of the Bureau of the Budget.
"(2) Comptroller General of the United States.
"(3) Director, Office of Defense Mobilization.
"(4) Under Secretary of State.
"(5) Deputy Secretary of Defense.

"(b) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $22,000.

"(1) Secretary of the Army.
"(2) Secretary of the Navy.
"(3) Secretary of the Air Force.

"SEC. 104. (a) The annual rate of basic compensation of each of the offices or positions listed in this section shall be $21,000.

"(1) Commissioner of Internal Revenue.
"(2) Director of Central Intelligence.
"(3) Director of the Federal Bureau of Investigation.
"(4) Administrator of the Federal Civil Defense Administration.

"(b) Notwithstanding the provisions of subsection (a), the annual rate of basic compensation of the Director of the Federal Bureau of Investigation shall be $22,000 so long as such office is held by the present incumbent.

"(5) Administrator of General Services.
"(6) Administrator of the Housing and Home Finance Agency.
"(7) Administrator of Veterans' Affairs.
"(8) Director of the International Cooperation Administration.
"(9) Director of the United States Information Agency.
"(10) Governor of the Farm Credit Administration.
"(11) President of the Export Import Bank of Washington.
"(12) Under Secretary of the Treasury.
"(13) Under Secretary of the Treasury for Monetary Affairs.
"(14) Deputy Postmaster General.
"(15) Under Secretary of the Interior.
"(16) Under Secretary of Agriculture.
"(17) Under Secretary of Commerce.
"(18) Under Secretary of Commerce for Transportation.
"(19) Under Secretary of Labor.
"(20) Under Secretary of Health, Education, and Welfare.

"SEC. 105. The annual rate of basic compensation of each of the offices or positions listed in this section shall be $20,500.

"(1) Chairman, Civil Aeronautics Board.
"(2) Chairman of the United States Civil Service Commission.
"(3) Chairman of the Council of Economic Advisers.
"(4) Chairman, Federal Communications Commission.
"(5) Chairman, Board of Directors, Federal Deposit Insurance Corporation. Board.
"(6) Chairman of the Federal Maritime Board.
"(7) Chairman, Federal Power Commission.
"(8) Chairman, Board of Governors of the Federal Reserve System.
"(9) Chairman, Federal Trade Commission.
"(10) Chairman, Foreign Claims Settlement Commission of the United States.
"(11) Chairman of the Federal Home Loan Bank Board.
"(12) Chairman, Interstate Commerce Commission.
"(13) Chairman, National Labor Relations Board.
"(14) Chairman, National Mediation Board.
"(15) Chairman, Railroad Retirement Board.
"(16) Chairman of the Renegotiation Board.
"(17) Chairman, Securities and Exchange Commission.
"(18) Chairman, Subversive Activities Control Board.
"(19) Chairman, Board of Directors of the Tennessee Valley Authority.
"(20) Chairman, United States Tariff Commission.
"(21) Comptroller of the Currency.
"(22) Assistant Comptroller General of the United States.
"(23) Deputy Administrator of the Federal Civil Defense Administration.
"(24) Deputy Administrator of Veterans' Affairs.
"(25) Deputy Director of the Bureau of the Budget.
"(26) Deputy Director of Central Intelligence.
"(27) Deputy Director of the Office of Defense Mobilization.
"(28) Deputy Director of the United States Infromation Agency.
"(29) Deputy Under Secretary of the Department of State (3).
"(30) Director of the Federal Mediation and Conciliation Service.
"(31) First Vice President of the Export-Import Bank of Washington.

"SEC. 106. (a) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $[illegible]000.

"(1) Administrator, Bureau of Security and Consular Affairs, Department of State.
"(2) Administrator of Civil Aeronautics.
"(3) Administrator, Commodity Stabilization Service.
"(4) Administrator of the Rural Electrification Administration.

"(5) Administrator of the Small Business Administration.

"(6) Administrator of the Saint Lawrence Seaway Development Corporation.

"(7) Administrator, Wage and Hour and Public Contracts Division, Department of Labor.

"(8) Archivist of the United States.

"(9) Assistant Directors of the Bureau of the Budget (2).

"(10 Assistant Postmasters General (5).

"(11) Assistant Secretaries of Agriculture (3).

"(12) Assistant Secretaries of Commerce (3).

"(13) Assistant Secretaries of Defense (9).

"(14) Assistant Secretaries of Health, Education, and Welfare (2).

"(15) Assistant Secretaries of the Interior (3).

"(16) Assistant Secretaries of Labor (3).

"(17) Assistant Secretaries of State (10).

"(18) Assistant Secretary of the Treasury (3).

"(19) Assistant Secretaries of the Air Force (4).

"(20) Assistant Secretaries of the Army (4).

"(21) Assistant Secretaries of the Navy (4).

"(22) Associate Director of the Federal Bureau of Investigation.

"(23) Chairman of the Military Liaison Committee to the Atomic Energy Commission, Department of Defense.

"(24) Commissioner, Community Facilities, Housing and Home Finance Agency.

"(25) Commissioner, Federal Housing Administration.

"(26) Commissioner, Public Housing Administration.

"(27) Commissioner, Urban Renewal Administration.

"(28) Counselor of the Department of State.

"(29) Deputy Administrator of the Housing and Home Finance Agency.

"(30) Deputy Administrator of General Services.

"(31) Director of the Administrative Office of the United States Courts.

"(32) Director of the Bureau of Prisons.

"(33) Director of the National Advisory Committee for Aeronautics.

"(34) Director of the National Science Foundation.

"(35) Director of Selective Service.

"(36) Fiscal Assistant Secretary of the Treasury.

"(37) General Counsel of the National Labor Relations Board.

"(38) Librarian of Congress.

"(39) President of the Federal National Mortgage Association.

"(40) Public Printer.

"(41) Special Assistant to the Secretary (Health and Medical Affairs), Department of Health, Education, and Welfare.

"(42) Under Secretary of the Army.

"(43) Under Secretary of the Navy.

"(44) Under Secretary of the Air Force.

"(45) Members of boards and commissions (excluding chairmen):

"Civil Aeronautics Board (4).

"United States Civil Service Commission (2).

"Council of Economic Advisers (2).

"Board of Directors of the Export-Import Bank of Washington (3).

"Federal Communications Commission (6).

"Federal Deposit Insurance Corporation (1).

"Board of Governors of the Federal Reserve System (6).

"Federal Maritime Board (2).

"Foreign Claims Settlement Commission of the United States (2).

"Federal Power Commission (4).

"Federal Trade Commission (4).

"Federal Home Loan Bank Board (2).

"Interstate Commerce Commission (10).

"National Labor Relations Board (4).

"National Mediation Board (2).

"Railroad Retirement Board (2).

"Renegotiation Board (4).

"Securities and Exchange Commission (4).

"Subversive Activities Control Board (4).

"Board of Directors of the Tennessee Valley Authority (2).

"United States Tariff Commission (5).

"(b) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $19,000.

"(1) Architect of the Capitol.

"(2) Assistant to the Director of the Federal Bureau of Investigation.

"(3) Commissioner of the United States Court of Claims (12).

"(4) Governor of Alaska.

"(5) Governor of the Canal Zone.

"(6) Governor of Guam.

"(7) Governor of Hawaii.

"(8) Governor of the Virgin Islands.

"(9) Legal adviser, solicitor, or general counsel of an executive or military department (excluding the Department of Justice).

"(c) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $18,000 per annum.

"(1) Commissioner of the Indian Claims Commission (3).

"SEC. 107. (a) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $17,500.

"(1) Administrator, Agricultural Research Service, Department of Agriculture.

"(2) Administrator, Bonneville Power Administration.

"(3) Administrator, Farmers' Home Administration.

"(4) Administrator, Soil Conservation Service, Department of Agriculture.

"(5) Assistant Architect of the Capitol.

"(6) Assistant Director of the Administrative Office of the United States Courts.

"(7) Associate Director of the Federal Mediation and Conciliation Service.

"(8) Chief Assistant Librarian of Congress.

"(9) Chief Forester of the Forest Service, Department of Agriculture.

"(10) Chief of Staff of the Joint Committee on Internal Revenue Taxation.

"(11) Commissioner of Customs.

"(12) Commissioner, Federal Supply Service, General Services Administration.

"(13) Commissioner of Immigration and Naturalization.

"(14) Commissioner of Narcotics.

"(15) Commissioner, Public Buildings Service.

"(16) Commissioner of Public Roads.

"(17) Commissioner of Reclamation.

"(18) Commissioner of Social Security.

"(19) Deputy Administrator of the Saint Lawrence Seaway Development Corporation.

"(20) Deputy Commissioner, Internal Revenue Service.

"(21) Deputy Public Printer.

"(22) Manager, Federal Crop Insurance Corporation, Department of Agriculture."

(b) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $17,000 per annum.

(1) Deputy Administrator, Small Business Administration (3).

(2) Treasurer of the United States.

"SEC. 108. Except as otherwise specifically provided in this title, the chairman or other head of each independent board or commission in the executive branch shall receive, during the period of his service as chairman or other head of such board or commission, annual basic compensation at a rate which is $500 more than the annual rate of basic compensation prescribed by this title for the other members of such board or commission.

"SEC. 109. Section 105 of title 3 of the United States Code is amended to read as follows:

"'§ 105. Compensation of secretaries and executive, administrative, and staff assistants to President.

"'The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of eight other secretaries or other immediate staff assistants in the White House Office, as follows: Two at rates not exceeding $22,500 per annum, three at rates not exceeding $21,000 per annum, seven at rates not exceeding $20,000 per annum, and three at rates not exceeding $17,500 per annum.'

"SEC. 110. (a) The Surgeon General of the Public Health Service shall receive such compensation, in addition to his pay and allowances under the Career Compensation Act of 1949, as amended, as will make his compensation equal to $20,000 per annum in addition to such allowances.

"(b) The Deputy Surgeon General of the Public Health Service shall receive such compensation, in addition to his pay and allowances under the Career Compensation Act of 1949, as amended, as will make his compensation equal to $19,000 per annum in addition to such allowances.

"(c) The Director, National Institutes of Health, the Chief, Bureau of Medical Services, and the Chief, Bureau of State Services, of the Public Health Service, shall each receive such compensation, in addition to his pay and allowances under the Career Compensation Act of 1949, as amended, as will make his compensation equal to $17,500 per annum in addition to such allowances.

"SEC. 111. The annual compensation for each of the offices established by section 1 (d) of Reorganization Plan Numbered 7 of 1953, effective August 1, 1953 (67 Stat. 639) shall be established by the Secretary of State at a rate not more than $19,000.

"SEC. 112. Section 2 of Public Law 565, Seventy-ninth Congress, approved July 30, 1946 (60 Stat. 712), is amended by striking out '$12,000' and insert in lieu thereof '$15,000'.

"SEC. 113. Section 527 (b) of the Mutual Security Act of 1954, approved August 26, 1954 (Public Law 665, Eighty-third Congress (68 Stat. 832)) is amended by striking out '$15,000 per annum' and inserting in lieu thereof '$19,000 per annum'.

"SEC. 114. (a) The compensation schedule for the General Schedule contained in section 603 (b) of the Classification Act of 1949, as amended, is amended by striking out:

"'GS-17	13,975	14,190	14,405	14,620
GS-18	14,800'			

and inserting in lieu thereof:

"'GS-17	13,975	14,190	14,405	14,620
	14,835			
GS-18	16,000'.			

"(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

"(1) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at a scheduled rate of grade 17 or 18 of the General Schedule, he shall receive a rate of basic compensation at the corresponding scheduled rate in effect on and after such date;

"(2) If the officer or employee, immediately prior to the effective date of this section, is in a position in grade 17 of the General Schedule and is receiving basic compensation at a rate between two scheduled rates of such grade, he shall receive a rate of basic compensation at the higher of the two corresponding rates in effect on and after such date;

"(3) If the officer or employee, immediately prior to the effective date of this section, is in a position in grade 17 of the General Schedule and is receiving basic compensation at a rate which is in excess of the maximum scheduled rate of his grade as provided in

this section, he shall continue to receive such higher rate of basic compensation until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such Act, as amended.

"SEC. 115. The Postal Field Service Schedule in section 301 (a) of the Act of June 10, 1955 (Public Law 68, 84th Congress), is amended by striking out:

"'18	12,500	12,800	13,100	13,400	13,700	14,000	14,300
19	13,600	13,900	14,200	14,500	14,800		
20	14,800"						

and inserting in lieu thereof:

"'18	12,800	13,100	13,400	13,700	14,000	14,300	14,600
19	14,000	14,300	14,600	14,900	15,200		
20	16,000'.						

"SEC. 116. Section 3 of the Act of January 3, 1946, as amended (38 U. S. C. 15b), is hereby amended as follows:

"(a) The last sentence of section 3 (b) is amended to read: 'During the period of his service as such, the Chief Medical Director shall be paid a salary of $17,800 a year.'

"(b) The last sentence of section 3 (c) is amended to read: 'During the period of his service as such, the Deputy Chief Medical Director shall be paid a salary of $16,800 a year.'

"(c) That portion of section 3 (d) which precedes the proviso is amended to read: 'Each Assistant Chief Medical Director shall be appointed by the Administrator upon the recommendation of the Chief Medical Director and shall be paid a salary of $15,800.'

"SEC. 117. (a) The first section of the Act approved August 1, 1947 (61 Stat. 715; Public Law 313, 80th Congress), as amended, relating to salary limitations on research and development positions requiring the services of specially qualified scientific or professional personnel in certain departments and agencies, is amended by striking out '$10,000' and '$15,000' and inserting in lieu thereof '$12,500' and '$19,000', respectively.

"(b) Section 208 (g) of the Public Health Service Act, as amended (42 U. S. C. 210 (g)), relating to salary limitations on research and development positions requiring the services of specially qualified scientific or professional personnel in the Public Health Service is amended by striking out '$10,000' and '$20,000' and inserting in lieu thereof '$12,500' and '$19,000', respectively.

"SEC. 118. The salary amendments contained in section 116 shall not affect the authority of the Civil Service Commission or the procedure for fixing the pay of individual officers or employees under the statutes therein amended; except that the existing rate of basic compensation of any officer or employee to whom such section applies which is less than a rate of $12,500 per annum shall be increased to such rate on the effective date of this title.

"SEC. 119. Section 12 of the Act of May 29, 1884, as amended (21 U. S. C. 113a), relating to salary limitation on technical experts or scientists for research and study of foot-and-mouth disease and other animal diseases, is hereby amended by striking out '$15,000' and inserting in lieu thereof '$19,000'.

"SEC. 120. This title shall take effect at the beginning of the first pay period commencing after June 30, 1956.

"TITLE II—PROVISIONS RELATING TO ORGANIZATION OF CIVIL SERVICE COMMISSION

"SEC. 201. (a) The first section of the Act entitled 'An Act to regulate and improve the civil service of the United States', approved January 16, 1883, as amended (5 U. S. C., sec. 632), is amended by inserting immediately after the first paragraph thereof a paragraph as follows:

"'The term of office of each such Commissioner shall be six years, except that (1) the terms of office of the Commissioners holding office on the effective date of this paragraph (including the term of office of an individual appointed to fill any vacancy in the Commission existing on such effective date) shall expire, as designated by the President, one at the end of two years, one at the end of four years, and one at the end of six years, after such effective date; (2) any Commissioner appointed to fill a vacancy occurring prior to the expiration of the term of his predecessor shall be appointed for the remainder of such term; and (3) upon the expiration of his term of office a Commissioner may continue to serve until his successor is appointed and has qualified.'

"(b) Such first section of such Act of January 16, 1883, is further amended by adding at the end thereof the following paragraph:

"'In addition to designating a Chairman of the Commission from time to time, pursuant to section 1 of Reorganization Plan Numbered 5 of 1949, the President shall from time to time designate one of the Commissioners as Vice Chairman of the Commission. During the absence or disability of the Commissioner designated as Chairman, or in the event of a vacancy in the office of such Commissioner, the Commissioner designatsd as Vice Chairman shall perform those functions of the Chairman which were transferred to the Chairman by the provisions of section 2 (a) (2) to 2 (a) (6), inclusive, of such Reorganization Plan. During the absence or disability of both the Commissioner designated as Chairman and the Commissioner designated as Vice Chairman, or in the event of vacancies in the offices of both such Commissioners, the remaining Commissioner shall perform such functions. During the absence or disability of all three Commissioners, or in the event of vacancies in the offices of all three Commissioners, the Executive Director shall perform such functions; but the Executive Director shall at no time sit as a member or acting member of the Commission.'

"SEC. 202. (a) This section and section 201 (b) shall take effect on the date of enactment of this Act.

"(b) Section 201 (a) shall take effect on March 1, 1957.

"TITLE III—MISCELLANEOUS PROVISIONS

"SEC. 301. (a) The President shall hereafter appoint, by and with the advice and consent of the Senate, a General Counsel of the Post Office Department, a General Counsel of the Department of Agriculture, and a General Counsel of the Department of Health, Education, and Welfare.

"(b) The existing office of Solicitor of the Post Office Department and the existing offices of General Counsel of the Department of Agriculture, and the Department of Health, Education, and Welfare shall be abolished effective upon the appointment and qualification of the General Counsels of such respective departments provided for by subsection (a) or April 1, 1957, whichever is earlier.

"SEC. 302. The positions of three Deputy Administrators of the Agricultural Research Service, Department of Agriculture, shall be in grade GS-18 of the General Schedule established by the Classification Act of 1949, as amended. Such positions shall be in addition to the number of positions authorized to be placed in such grade by section 505 (b) of such Act.

"TITLE IV—CIVIL SERVICE RETIREMENT

"SEC. 401. The Civil Service Retirement Act of May 29, 1930 as amended, is amended to read as follows:

"'*Definitions*

"'SECTION 1. Wherever used in this Act—

"'(a) The term "employee" shall mean a civilian officer or employee in or under the Government and, except for purposes of section 2, shall mean a person to whom this Act applies.

"'(b) The term "Member" shall mean the Vice President, a United States Senator, Representative in Congress, Delegate from a Territory, or the Resident Commissioner from Puerto Rico, and, except for purposes of section 2, shall mean a Member to whom this Act applies.

"'(c) The term "congressional employee" means an employee of the Senate or House of Representatives or of a committee of either House, an employee of a joint committee of the two Houses, an elected officer of the Senate or House of Representatives who is not a Member of either House, the Legislative Counsel of the Senate and the Legislative Counsel of the House of Representatives and the employees in their respective offices, an Official Reporter of Debates of the Senate and a person employed by the Official Reporters of Debates of the Senate in connection with the performance of their official duties, a member of the Capitol Police force, an employee of the Vice President if such employee's compensation is disbursed by the Secretary of the Senate, and an employee of a Member if such employee's compensation is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives

"'(d) The term "basic salary" shall not include bonuses, allowances, overtime pay, military pay, or salary, pay, or compensation given in addition to the base pay of the position as fixed by law or regulation: *Provided*, That for employees paid on a fee basis, the maximum amount of basic salary which may be used shall be $10,000 per annum. For a Member, the term "basic salary" shall include, from April 1, 1954, to February 28, 1955, the amount received as expense allowance under section 601 (b) of the Legislative Reorganization Act of 1946, as amended, and such amount from January 3, 1953, to March 31, 1954, provided deposit is made therefor as provided in section 4.

"'(e) The term "average salary" shall mean the largest annual rate resulting from averaging, over any period of five consecutive years of creditable service, or at a Member's option over all periods of Member service subsequent to the date of enactment of the Legislative Reorganization Act of 1946 used in the computation of an annuity under this Act, a Member's or an employee's rates of basic salary in effect during such period, with each rate weighted by the time it was in effect.

"'(f) The term "fund" shall mean the civil service retirement and disability fund created by the Act of May 22, 1920.

"'(g) The terms "disabled" and "disability" shall mean totally disabled for useful and efficient service in the grade or class of position last occupied by the employee or Member by reason of disease or injury not due to vicious habits, intemperance or willful misconduct on his part within the five years next prior to becoming so disabled.

"'(h) The term "widow", for purposes of section 10, shall mean the surviving wife of an employee or Member who was married to such individual for at least two years immediately preceding his death or is the mother of issue by such marriage.

"'(i) The term "widower", for purposes of section 10, shall mean the surviving husband of an employee or Member who was married to such employee or Member for at least two years immediately preceding her death or is the father of issue by such marriage. The term "dependent widower", for purposes of section 10 shall mean a "widower" who is incapable of self-support by reason of mental or physical disability, and who received more

than one-half his support from such employee or Member.

"'(j) The term "child", for purposes of section 10, shall mean an unmarried child, including (1) an adopted child, and (2) a stepchild or recognized natural child who received more than one-half his support from and lived with the Member or employee in a regular parent-child relationship, under the age of eighteen years, or such unmarried child regardless of age who because of physical or mental disability incurred before age eighteen is incapable of self-support.

"'(k) the term "Government" shall mean the executive, judicial, and legislative branches of the United States Government, including Government-owned or controlled corporations and Gallaudet College, and the municipal government of the District of Columbia.

"'(l) The term "lump-sum credit" shall mean the unrefunded amount consisting of (1) the retirement deductions made from the basic salary of an employee or Member, (2) any sums deposited by an employee or Member covering prior service, and (3) interest on such deductions and deposits at 4 per centum per annum to December 31, 1947, and 3 per centum per annum thereafter compounded annually to December 31, 1956 or, in the case of an employee separated or transferred to a position not within the purview of this Act before he has completed five years of civilian service or a Member separated before he has completed five years of Member service, to the date of the separation or transfer. The lump-sum credit shall not include interest if the service covered thereby aggregates one year or less, nor shall it include interest for the fractional part of a month in the total service.

"'(m) The term "Commission" shall mean the United States Civil Service Commission.

"'(n) The term "annuitant" shall mean any former employee or Member who, on the basis of his service, has met all requirements of the Act for title to annuity and has filed claim therefor.

"'(o) The term "survivor" shall mean a person who is entitled to annuity under this Act based on the service of a deceased employee or Member or of a deceased annuitant.

"'(p) The term "survivor annuitant" shall mean a survivor who has filed claim for annuity.

"'(q) The term "service" shall mean employment which is creditable under section 3.

"'(r) The term "military service" shall mean honorable active service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States, but shall not include service in the National Guard except when ordered to active duty in the service of the United States.

"'(s) The term "Member service" shall mean service as a Member and shall include the period from the date of the beginning of the term for which the Member is elected or appointed to the date on which he takes office as a Member.

"'*Coverage*

"'SEC. 2. (a) This Act shall apply to each employee and Member, except as hereinafter provided.

"'(b) This Act shall not apply to the President, to any judge of the United States as defined under section 451 of title 28 of the United States Code, or to any employee of the Government subject to another retirement system for Government employees.

"'(c) This Act shall not apply to any Member or to any congressional employee until he gives notice in writing to the officer by whom his salary is paid of his desire to come within the purview of this Act.

"'(d) This Act shall not apply to any temporary congressional employee unless such employee is appointed at an annual rate of salary and gives notice in writing to the officer by whom his salary is paid of his desire to come within the purview of this Act.

"'(e) The Commission may exclude from the operation of this Act any employee or group of employees in the executive branch of the United States Government, or of the District of Columbia government upon recommendation by its Commissioners, whose tenure of office or employment is temporary or intermittent.

"'(f) This Act shall not apply to any temporary employee of the Administrative Office of the United States Courts, of the courts specified in section 610 of title 28 of the United States Code, or to construction employees or any other temporary, part-time, or intermittent employees of the Tennessee Valley Authority; and the Architect of the Capitol and the Librarian of Congress are authorized to exclude from the operation of this Act any employees under the office of the Architect of the Capitol and the Library of Congress, respectively, whose tenure of employment is temporary or of uncertain duration.

"'(g) Notwithstanding any other provision of law or any Executive order, this Act shall apply to each United States Commissioner whose total compensation for services rendered as United States Commissioner is not less than $3,000 in each of the last three consecutive calendar years (1) ending prior to the effective date of the Civil Service Retirement Act Amendments of 1956 or (2) ending prior to the first day of any calendar year which begins after such effective date. For the purposes of this Act, the employment and compensation of each such United States Commissioner coming within the purview of this Act pursuant to this subsection shall be held and considered to be on a daily basis when actually employed; but nothing in this Act shall affect, otherwise than for the purposes of this Act, the basis, under applicable law other than this Act, on which such United States Commissioner is employed or on which his compensation is determined and paid.

"'*Creditable service*

"'SEC. 3. (a) An employee's service for the purposes of this Act including service as a substitute in the postal service shall be credited from the date of original employment to the date of the separation upon which title to annuity is based in the civilian service of the Government. Credit shall similarly be allowed for service in the Pan American Sanitary Bureau. No credit shall be allowed for any period of separation from the service in excess of three calendar days.

"'(b) An employee or Member shall be allowed credit for periods of military service prior to the date of the separation upon which title to annuity is based; however, if an employee or Member is awarded retired pay on account of military service, his military service shall not be included, unless such retired pay is awarded on account of a service-connected disability (1) incurred in combat with an enemy of the United States or (2) caused by an instrumentality of war and incurred in line of duty during an enlistment or employment as provided in Veterans Regulation Numbered 1 (a), part I, paragraph I, or is awarded under title III of Public Law 810, Eightieth Congress, except that for purposes of section 9 (c) (1), a Member (A) shall be allowed credit only for periods of military service not exceeding five years, plus any military service performed by the Member upon leaving his office, for the purpose of performing such service, during any war or national emergency proclaimed by the President or declared by the Congress and prior to his final separation from service as Member and (B) may not receive credit for military service for which credit is allowed for the purposes of retired pay under any other provision of law. Nothing in this Act shall affect the right of an employee or a Member to retired pay, pension, or compensation in addition to the annuity herein provided.

"'(c) Credit shall be allowed for leaves of absence granted an employee while performing military service or while receiving benefits under the Federal Employees' Compensation Act of September 7, 1916, as amended. Except for a substitute in the postal service, there shall be excluded from credit so much of any other leaves of absence without pay as may exceed six months in the aggregate in any calendar year.

"'(d) An employee who during the period of any war, or of any national emergency as proclaimed by the President or declared by the Congress, has left or leaves his position to enter the military service shall not be considered, for the purposes of this Act, as separated from his civilian position by reason of such military service, unless he shall apply for and receive a lump-sum benefit under this Act: *Provided*, That such employee shall not be considered as retaining his civilian position beyond December 31, 1956, or the expiration of five years of such military service, whichever is later.

"'(e) The total service of an employee or Member shall be the full years and twelfth parts thereof, excluding from the aggregate the fractional part of a month, if any.

"'(f) An employee must have completed at least five years of civilian service before he shall be eligible for annuity under this Act.

"'(g) An employee or Member must have, within the two-year period preceding any separation from service, other than a separation by reason of death or disability, completed at least one year of creditable civilian service during which he was subject to this Act before he or his survivors shall be eligible for annuity under this Act based on such separation. If any employee or Member, other than an employee or Member separated from the service by reason of death or disability, fails to meet the service requirement of the preceding sentence, the amounts deducted from his salary during his period of service for which no eligibility for annuity is established based on such separation shall be returned to him upon such separation. Failure to meet this service requirement shall not deprive the individual or his survivors of any annuity rights which attached upon a previous separation.

"'(h) An employee who (1) has at least five years' Member service and (2) has served as a Member at any time after August 2, 1946, shall not be allowed credit for any service which is used in the computation of an annuity under section 9 (c).

"'(i) In the case of each United States Commissioner who comes within the purview of this Act pursuant to section 2 (g) of this Act, service rendered prior to, on, or after the effective date of the Civil Service Retirement Act Amendments of 1956 as United States Commissioner shall be credited for the purposes of this Act on the basis of one three-hundred-and-thirteenth of a year for each day on which such United States Commissioner renders service in such capacity and which is not credited for the purposes of this Act for service performed by him in any capacity other than United States Commissioner. Such credit shall not be granted for service rendered as United States Commissioner for more than three hundred and thirteen days in any one year.

"'(j) Notwithstanding any other provision of this section, any military service (other than military service covered by military leave with pay from a civilian position) performed by an individual after December 1956 shall be excluded in determining the aggregate period of service upon which an annuity payable under this Act to such individual or to his widow or child is to be based, if such individual or widow or child is entitled (or would upon proper application be entitled),

at the time of such determination, to monthly old-age or survivors benefits under section 202 of the Social Security Act based on such individual's wages and self-employment income. If in the case of the individual or widow such military service is not excluded under the preceding sentence, but upon attaining retirement age (as defined in section 216 (a) of the Social Security Act) he or she becomes entitled (or would upon proper application be entitled) to such benefits, the Commission shall redetermine the aggregate period of service upon which such annuity is based, effective as of the first day of the month in which he or she attains such age, so as to exclude such service. The Secretary of Health, Education, and Welfare shall, upon the request of the Commission, inform the Commission whether or not any such individual or widow or child is entitled at any specified time to such benefits.

"'Deductions and deposits

"'SEC. 4. (a) From and after the first day of the first pay period which begins on or after the effective date of the Civil Service Retirement Act Amendments of 1956 there shall be deducted and withheld from each employee's basic salary an amount equal to 6½ per centum of such basic salary and from each Member's basic salary an amount equal to 7½ per centum of such basic salary. From and after the first day of the first day period which begins after June 30, 1957, an equal sum shall also be contributed from the respective appropriation or fund which is used for payment of his salary, pay or compensation, or in the case of an elected official, from such appropriation or fund as may be available for payment of other salaries of the same office or establishment. The amounts so deducted and withheld by each department or agency, together with the amounts so contributed, shall, in accordance with such procedures as may be prescribed by the Comptroller General of the United States, be deposited by the department or agency in the Treasury of the United States to the credit of the fund. There shall also be so credited all deposits made by employees or Members under this section. Amounts contributed under this subsection from appropriations of the Post Office Department shall not be considered as costs of providing postal service for the purpose of establishing postal rates.

"'(b) Each employee or Member shall be deemed to consent and agree to such deductions from basic salary, and payment less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all regular services during the period covered by such payment, except the right to the benefits to which he shall be entitled under this act, notwithstanding any law, rule, or regulation affecting the individual's salary.

"'(c) Each employee or Member credited with civilian service after July 31, 1920, for which, for any reason whatsoever, no retirement deductions or deposits have been made, may deposit with interest an amount equal to the following percentages of his basic salary received for such service:

	"Percentage of basic salary	Service period
Employee	2½	August 1, 1920, to June 30, 1926
	3½	July 1, 1926, to June 30, 1942
	5	July 1, 1942, to June 30, 1948
	6	July 1, 1948, to October 31, 1956
	6½	After October 31, 1956
Member for Member service	2½	August 1, 1920, to June 30, 1926
	3½	July 1, 1926, to June 30, 1942
	5	July 1, 1942, to August 1, 1946
	6	August 2, 1946, to October 31, 1956
	7½	After October 31, 1956

"'(d) Each employee or Member who has received a refund of retirement deductions under this or any other retirement system established for employees of the Government covering service for which he may be allowed credit under this Act may deposit the amount received, with interest. No credit shall be allowed for the service covered by the refund until the deposit is made.

"'(e) Interest under subsection (c) or (d) shall be computed from the midpoint of each service period included in the computation, or from the date refund was paid, to the date of deposit or commencing date of annuity, whichever is earlier. The interest shall be computed at the rate of 4 per centum per annum to December 31, 1947, and 3 per centum per annum thereafter compounded annually. Such deposit may be made in one or more installments.

"'(f) Under such regulations as may be prescribed by the Commission, amounts deducted under subsection (a) and deposited under subsections (c) and (d) shall be entered on individual retirement records.

"'(g) No deposit shall be required for any service prior to August 1, 1920, for periods of military service or for any service for the Panama Railroad Company prior to January 1, 1924.

"'Mandatory separation

"'SEC. 5. (a) Except as hereinafter provided, an employee who shall have attained the age of seventy years and completed fifteen years of service shall be automatically separated from the service. Such separation shall be effective on the last day of the month in which such employee attains the age of seventy years or completes fifteen years of service if then beyond such age, and all salary shall cease from that day.

"'(b) Each employing office shall notify each employee under its direction of the date of such separation from the service at least sixty days in advance thereof: *Provided*, That subsection (a) shall not take effect without the consent of the employee until sixty days after he has been so notified.

"'(c) The President may, by Executive order, exempt from automatic separation under this section any employee when, in his judgment, the public interest so requires.

"'(d) The automatic separation provisions of this section shall not apply to any person named in any Act of Congress providing for the continuance of such person in the service, to any Member, to any congressional employee, to the Architect of the Capitol or any employee under the office of the Architect of the Capitol, or to any employee in the judicial branch who has been appointed to hold office for a definite term of years.

"'(e) In the case of an employee of The Alaska Railroad, Territory of Alaska, or an employee who is a citizen of the United States employed on the Isthmus of Panama by the Panama Canal Company or the Canal Zone Government, the provisions of this section shall apply upon his attaining the age of sixty-two years and completing fifteen years of service on the Isthmus of Panama or in the Territory of Alaska.

"'Immediate retirement

"'SEC. 6. (a) Any employee who attains the age of sixty years and completes thirty years of service shall, upon separation from the service, be paid an annuity computed as provided in section 9.

"'(b) Any employee who attains the age of fifty-five years and completes thirty years of service shall, upon separation from the service prior to attainment of the age of sixty years, be paid a reduced annuity computed as provided in section 9.

"'(c) Any employee the duties of whose position are primarily the investigation, apprehension, or detention of persons suspected or convicted of offenses against the criminal laws of the United States, including any employee engaged in such activity who has been transferred to a supervisory or administrative position, who attains the age of fifty years and completes twenty years of service in the performance of such duties, may, if the head of his department or agency recommends his retirement and the Commission approves, voluntarily retire from the service and be paid an annuity computed as provided in section 9. The head of the department or agency and the Commission shall give full consideration to the degree of hazard to which such employee is subjected in the performance of his duties, rather than the general duties of the class of the position held by such employee. The word "detention", as used in this subsection shall be construed to include the duties of—

"'(1) all employees of the Bureau of Prisons and Federal Prison Industries, Incorporated,

"'(2) all employees of the Public Health Service assigned to the field service of the Bureau of Prisons or to the field service of Federal Prison Industries, Incorporated,

"'(3) all civilian employees employed in the field services at Army or Navy disciplinary barracks or at confinement and rehabilitation facilities operated by any of the United States armed services, and

"'(4) all employees of the Department of Corrections of the District of Columbia its industries and utilities,

whose duties in connection with persons in detention suspected or convicted of offenses against the criminal laws of the United States or of the District of Columbia or offenses against the punitive articles of the Uniform Code of Military Justice require frequent (as determined by the appropriate administrative authority with the concurrence of the Commission) direct contact with such persons in the detention, direction, supervision, inspection, training, employment, care, transportation, or rehabilitation of such persons.

"'(d) Any employee who completes twenty-five years of service or who attains the age of fifty years and completes twenty years of service shall upon involuntary separation from the service not by removal for cause on charges of misconduct or delinquency, be paid a reduced annuity computed as provided in section 9.

"'(e) Any employee who attains the age of sixty-two years and completes five years of service shall, upon separation from the service, be paid an annuity computed as provided in section 9.

"'(f) Any Member who attains the age of sixty-two years and completes five years of Member service, or who attains the age of sixty years and completes ten years of Member service, shall, upon separation from the service, be paid an annuity computed as provided in section 9. Any Member who attains the age of fifty-five years and completes thirty years of service shall, upon separation from the service prior to attainment of the age of sixty years, be paid a reduced annuity computed as provided in section 9. Any Member who completes twenty-five years of service, or who attains the age of fifty years and completes twenty years of service, shall, upon separation from the service (other than separation by resignation or expulsion), be paid a reduced annuity computed as provided in section 9. No Member or survivor of a Member shall be entitled to receive an annuity under this Act unless there shall have been deducted or deposited the amounts specified in section 4 with respect to his last five years of Member service.

"'Disability retirement

"'SEC. 7. (a) Any employee who completes five years of civilian service and who is found by the Commission to have become disabled shall, upon his own appli-

cation or upon application by his department or agency, be retired on an annuity computed as provided in section 9. Any Member who completes five years of Member service and who is found by the Commission to have become disabled shall, upon his own application, be retired on an annuity computed as provided in section 9.

"'(b) No claim shall be allowed under this section unless the application is filed with the Commission prior to separation of the employee or Member from the service or within one year thereafter. This time limitation may be waived by the Commission for an individual who at the date of separation from service or within one year thereafter is mentally incompetent, if the application is filed with the Commission within one year from the date of restoration of such individual to competency or the appointment of a fiduciary, whichever is the earlier.

"'(c) Each annuitant retired under his section or under section 6 of the act of May 29, 1930, as amended, unless his disability is permanent in character, shall at the expiration of 1 year from the date of such retirement and annually thereafter, until reaching age 60, be examined under the direction of the Commission. If the annuitant fails to submit to examination as required under this section, payment of the annuity shall be suspended until continuance of the disability is satisfactorily established.

"'(d) If such annuitant, before reaching age 60, recovers from his disability or is restored to an earning capacity fairly comparable to the current rate of compensation of the position occupied at the time of retirement, payment of the annuity shall cease (1) upon reemployment by the Government, (2) one year from the date of the medical examination showing such recovery, or (3) one year from the date of determination that he is so restored, whichever is earliest. Earning capacity shall be deemed restored if in each of 2 succeeding calendar years the income of the annuitant from wages or self-employment or both shall equal at least 80 percent of the current rate of compensation of the position occupied immediately prior to retirement.

"'(e) If such annuitant whose annuity is discontinued under subsection (d) is not reemployed in any position included in the provisions of this act, he shall be considered, except for service credit, as having been involuntarily separated from the service for the purposes of this act as of the date of discontinuance of the disability annuity and shall, after such discontinuance, be entitled to annuity in accordance with the applicable provision of this act.

"'(f) No person shall be entitled to receive an annuity under this act and compensation for injury or disability to himself under the Federal Employees' Compensation Act of September 7, 1916, as amended, covering the same period of time. This provision shall not bar the right of any claimant to the greater benefit conferred by either act for any part of the same period of time. Neither this provision nor any provision in such act of September 7, 1916, as amended, shall deny to any person an annuity accruing to such person under this act on account of service rendered by him, or deny any concurrent benefit to such person under such act of September 7, 1916, as amended, on account of the death of any other person.

"'Notwithstanding any provision of law to the contrary, the right of any person entitled to an annuity under this Act shall not be affected because such person has received an award of compensation in a lump sum under section 14 of the Act of September 7, 1916, as amended, except that where such annuity is payable on account of the same disability for which compensation under such section has been paid, so much of such compensation as has been paid for any period extended beyond the date such annuity becomes effective, as determined by the Department of Labor, shall be refunded to the Department of Labor, to be covered into the Federal Employees' Compensation Fund. Before such person shall receive such annuity he shall (1) refund to such Department the amount representing such commuted payments for such extended period, or (2) authorize the deduction of such amount from the annuity payable to him under this Act, which amount shall be transmitted to such Department for reimbursement to such fund. Deductions from such annuity may be made from accrued and accruing payments, or may be prorated against and paid from accruing payments in such manner as the Department of Labor shall determine, whenever it finds that the financial circumstances of the annuitant are such as to warrant such deferred refunding.

"'*Deferred retirement*

"'SEC. 8. (a) Any employee who is separated from the service or transferred to a position not within the purview of this Act after completing five years of civilian service may be paid an annuity beginning at the age of sixty-two years computed as provided in section 9.

"'(b) Any Member who on or after January 1, 1956, has been or is separated from the service as a Member after completing five years of Member service may hereafter be paid an annuity beginning at the age of sixty-two years, computed as provided in section 9. Any Member who is separated from the service after completing ten or more years of Member service may be paid an annuity beginning at the age of sixty years, computed as provided in section 9.

"'*Computation of annuity*

"'SEC. 9. (a) Except as otherwise provided in this section, the annuity of an employee retiring under this Act shall be (1) the larger of (A) 1½ per centum of the average salary multiplied by so much of the total service as does not exceed five years, or (B) 1 per centum of the average salary, plus $25, multiplied by so much of the total service as does not exceed five years, plus (2) the larger of (A) 1¾ per centum of the average salary multiplied by so much of the total service as exceeds five years but does not exceed ten years, or (B) 1 per centum of the average salary, plus $25, multiplied by so much of the total service as exceeds five years but does not exceed ten years, plus (3) the larger of (A) 2 per centum of the average salary multiplied by so much of the total service as exceeds ten years, or (B) 1 per centum of the average salary, plus $25, multiplied by so much of the total service as exceeds ten years: *Provided*, That the annuity shall not exceed 80 per centum of the average salary: *Provided further*, That the annuity of an employee retiring under section 7 shall be at least (1) 40 per centum of the average salary or (2) the sum obtained under this subsection after increasing his total service by the period elapsing between the date of separation and the date he attains the age of sixty years, whichever is the lesser, but this proviso shall not increase the annuity of any survivor.

"'(b) The annuity of a congressional employee retiring under this Act shall, if he so elects at the time his annuity commences, be (1) 2½ per centum of the average salary multiplied by his military service and service as a congressional employee, not exceeding a total of fifteen years, plus (2) 1½ per centum of the average salary multiplied by so much of the remainder of his total service as does not exceed five years, plus (3) 1¾ per centum of the average salary multiplied by so much of the remainder of his total service as exceeds five years but does not exceed ten years, plus (4) 2 per centum of the average salary multiplied by so much of the remainder of his total service as exceeds ten years: *Provided*, That the annuity shall not exceed 80 per centum of the average salary. This subsection shall not apply unless the congressional employee (1) has had at least five years' service as a congressional employee, (2) has had deductions withheld from his salary or made deposit covering his last five years of civilian service, and (3) has served as a congressional employee during the last eleven months of his civilian service: *Provided further*, That the annuity of a congressional employee retiring under section 7 shall be at least (1) 40 per centum of the average salary or (2) the sum obtained under this subsection after increasing his service as a congressional employee by the period elapsing between the date of separation and the date he attains the age of sixty years, whichever is the lesser, but this provision shall not increase the annuity of any survivor.

"'(c) The annuity of a Member retiring under this Act shall be an amount equal to—

"'(1) 2½ per centum of the average salary multiplied by the total of his Member and creditable military service;

"'(2) 2½ per centum of the average salary multiplied by his total years of service, not exceeding fifteen, performed as a congressional employee prior to his separation from service as a Member, other than any such service which he may elect to exclude;

"'(3) 1½ per centum of such average salary multiplied by so much of his total service, other than service used in computing annuity under clauses (1) and (2), as does not exceed five years, performed prior to his separation from service as a Member, and other than any such service which he may elect to exclude;

"'(4) 1¾ per centum of such average salary multiplied by so much of his total service, other than service used in computing annuity under clauses (1) and (2), as exceeds five years but does not exceed ten years, performed prior to his separation from service as a Member, and other than any such service which he may elect to exclude; and

"'(5) 2 per centum of such average salary multiplied by so much of his total service, other than service used in computing annuity under clauses (1) and (2), as exceeds ten years, performed prior to his separation from service as a Member, and other than any such service which he may elect to exclude.

In no case shall an annuity computed under this subsection exceed 80 per centum of the basic salary that he is receiving at the time of such separation from the service, and in no case shall the annuity of a Member retiring under section 7 be less than (A) 40 per centum of the average salary or (B) the sum obtained under this subsection after increasing his Member service by the period elapsing between the date of separation and the date he attains the age of sixty years, whichever is the lesser, but this provision shall not increase the annuity of any survivor.

"'(d) The annuity as hereinbefore provided, for an employee retiring under section 6 (b) or 6 (d) or a Member retiring under the first or second sentence of section 6 (f), shall be reduced by one-twelfth of 1 per centum for each full month not in excess of sixty, and one-sixth of 1 per centum for each full month in excess of sixty, such employee or Member is under the age of sixty years at date of separation.

"'(e) The annuity of an employee retiring under section 6 (c) shall be 2 per centum of the average salary multiplied by the total service: *Provided*, That the annuity shall not exceed 80 per centum of the average salary.

"'(f) The annuity as hereinbefore provided shall be reduced by 10 per centum of any deposit described in section 4 (c) remaining unpaid, unless the employee or Member shall elect to eliminate the service

involved for purposes of annuity computation.

"'(g) Any employee or Member retiring under section 6, 7, or 8 may at the time of retirement elect a reduced annuity, in lieu of the annuity as hereinbefore provided, and designate in writing his wife or husband to receive an annuity after the retired individual's death computed as provided in section 10 (a) (1). The annuity of the employee or Member making such election, excluding any increase because of retirement under section 7, shall be reduced by 2½ per centum of so much of the portion thereof designated under section 10 (a) (1) as does not exceed $2,400 and by 10 per centum of so much of the portion so designated as exceeds $2,400.

"'(h) Any unmarried employee or Member retiring under section 6 or 8, and found by the Commission to be in good health, may at the time of retirement elect a reduced annuity, in lieu of the annuity as hereinbefore provided, and designate in writing a person having an insurable interest in the employee or Member to receive an annuity after the retired individual's death. The annuity payable to the employee or Member making such election shall be reduced by 10 per centum of an annuity computed as provided in section 9 and by 5 per centum of an annuity so computed for each full five years the person designated is younger than the retiring employee or Member, but such total reduction shall not exceed 40 per centum.

"'(i) The annuity as hereinbefore provided, for an employee who is a citizen of the United States, shall be increased by $36 multiplied by total service in the employ of either the Alaska Engineering Commission or The Alaska Railroad in the Territory of Alaska between March 12, 1914, and July 1, 1923, or in the employ of either the Isthmian Canal Commission or the Panama Railroad Company on the Isthmus of Panama between May 4, 1904, and April 1, 1914.

"'*Survivor annuities*

"'SEC. 10. (a) (1) If a Member or employee dies after having retired under any provision of this Act and is survived by a wife or husband designated under section 9 (g) such wife or husband shall be paid an annuity equal to 50 per centum of so much of an annuity computed as provided in subsections (a), (b), (c), (d), (e), and (f) of section 9, as may apply with respect to the annuitant, as is designated in writing for such purpose by such Member or employee at the time he makes the election provided for by section 9 (g).

"'(2) An annuity computed under this subsection shall begin on the first day of the month in which the retired employee or Member dies, and such annuity or any right thereto shall terminate upon the survivor's death or remarriage.

"'(b) The annuity of a survivor designated under section 9 (h) shall be 50 per centum of the reduced annuity computed as provided in subsections (a), (b), (c), (d), (e), (f), and (h) of section 9 as may apply with respect to the annuitant. The annuity of such survivor shall begin on the first day of the month in which the retired employee or Member dies, and such annuity or any right thereto shall terminate upon the survivor's death.

"'(c) If an employee dies after completing at least five years of civilian service, or a Member dies after completing at least five years of Member service, the widow or dependent widower of such employee or Member shall be paid an annuity equal to 50 per centum of an annuity computed as provided in subsections (a), (b), (c), (e), and (f) of section 9 as may apply with respect to the employee or Member. The annuity of such widow or dependent widower shall begin on the first day of the month after the employee or Member dies, and such annuity or any right thereto shall terminate upon death or remarriage of the widow or widower, or upon the widower's becoming capable of self-support.

"'(d) If an employee dies after completing five years of civilian service or a Member dies after completing five years of Member service, or an employee or a Member dies after having retired under any provision of the Act, and is survived by a wife or by a husband, each surviving child who received more than one-half of his support from such employee or Member shall be paid an annuity equal to the smallest of (1) 40 per centum of the employee's or Member's average salary divided by the number of children, (2) $600, or (3) $1,800 divided by the number of children. If such employee or Member is not survived by a wife or husband, each surviving child shall be paid an annuity equal to the smallest of (1) 50 per centum of the employee's or Member's average salary divided by the number of children, (2) $720, or (3) $2,160 divided by the number of children. The child's annuity shall begin on the first day of the month after the employee or Member dies, and such annuity or any right thereto shall terminate upon (1) his attaining age 18 unless incapable of self-support, (2) his becoming capable of self-support after age 18, (3) his marriage, or (4) his death. Upon the death of the surviving wife or husband or termination of the annuity of the child, the annuity of any other child or children shall be recomputed and paid as though such wife, husband, or child had not survived the employee or Member.

"'(e) In case a Member separated from service with title to a deferred annuity under this Act, either prior to, on, or after the effective date of the Civil Service Retirement Act Amendments of 1956, shall hereafter die before having established a valid claim for annuity and is survived by a wife or husband to whom married at date of separation, such surviving wife or husband (1) shall be paid an annuity equal to one-half of the deferred annuity of such Member beginning the first day of the month following the death of such Member and terminating upon the death or remarriage of such surviving wife or husband or (2) may elect to receive a lump sum credit in lieu of annuity if such wife or husband is the person who would be entitled to the lump-sum credit and files application therefor with the Commission prior to the award of such annuity.

"'*Lump-sum benefits*

"'SEC. 11. (a) Any employee or Member who is separated from the service, or is transferred to a position wherein he does not continue subject to this Act, shall be paid the lump-sum credit provided his separation or transfer occurs and application for payment is filed with the Commission at least thirty-one days before the earliest commencing date of any annuity for which he is eligible. The receipt of payment of the lump-sum credit by the individual shall void all annuity rights under this Act, unless and until he shall be reemployed in the service subject to this Act. This subsection shall also apply to any employee or Member separated prior to the effective date of the Civil Service Retirement Act Amendments of 1956 after completing at least twenty years of civilian service.

"'(b) Each present or former employee or Member may, under regulations prescribed by the Commission, designate a beneficiary or beneficiaries for the purposes of this Act.

"'(c) Lump-sum benefits authorized under subsections (d), (e), and (f) of this section shall be paid in the following order of precedence to such person or persons surviving the employee or Member and alive at the date title to the payment arises, and such payment shall be a bar to recovery by any other person:

"'First, to the beneficiary or beneficiaries designated by the employee or Member in a writing received in the Commission prior to his death;

"'Second, if there by no such beneficiary, to the widow or widower of the employee or Member;

"'Third, if none of the above, to the child or children of the employee or Member and descendants of deceased children by representation;

"'Fourth, if none of the above, to the parents of the employee or Member or the survivor of them;

"'Fifth, if none of the above, to the duly appointed executor or administrator of the estate of the employee or Member;

"'Sixth, if none of the above, to other next of kin of the employee or Member as may be determined by the Commission to be entitled under the laws of the domicile of the individual at the time of his death.

"'(d) If an employee or Member dies (1) without a survivor, or (2) with a survivor or survivors and the right of all survivors shall terminate before claim for survivor annuity is filed, or if a former employee or Member not retired dies, the lump-sum credit shall be paid.

"'(e) If all annuity rights under this Act based on the service of a deceased employee or Member shall terminate before the total annuity paid equals the lump sum credit the difference shall be paid.

"'(f) If an annuitant dies, any annuity accrued and unpaid shall be paid.

"'(g) Any annuity accrued and unpaid upon the termination (other than by death) of the annuity of any annuitant or survivor annuitant shall be paid to such person. Any survivor annuity accrued and unpaid upon the death of any survivor annuitant shall be paid in the following order of precedence and such payment shall be a bar to recovery by any other person:

"'First, to the duly appointed executor or administrator of the estate of the survivor annuitant;

"'Second, if there is no such executor or administrator, payment may be made, after the expiration of thirty days from the date of death of such survivor annuitant, to such next of kin of the survivor annuitant as may be determined by the Commission to be entitled under the laws of the survivor annuitant's domicile at the time of his death.

"'*Additional annuities*

"'SEC. 12. (a) Any employee or Member may, under regulations prescribed by the Commission, voluntarily contribute additional sums in multiples of $25, but the total may not exceed 10 per centum of his basic salary for his creditable service from and after August 1, 1920. The voluntary contribution account in each case shall be the sum of such unrefunded contributions, plus interest at 3 per centum per annum compounded annually to date of separation or transfer to a position not within the purview of this Act or, in case of an individual who is separated with title to a deferred annuity and does not claim the voluntary contribution account, to the commencing date fixed for such deferred annuity or date of death, whichever is earlier.

"'(b) Such voluntary contribution account shall be used to purchase at retirement an annuity in addition to the annuity otherwise provided. For each $100 in such voluntary contribution account, the additional annuity shall consist of $7, increased by 20 cents for each full year, if any, such employee or Member is over the age of fifty-five years at the date of retirement.

"'(c) A retiring employee or Member may elect a reduced additional annuity in lieu of the additional annuity described in subsection (b) and designate in writing a person to receive after his death an annuity of 50 per centum of his reduced additional annuity. The additional annuity of the employee or Member making such election shall

be reduced by 10 per centum, and by 5 per centum for each full five years the person designated is younger than the retiring employee or Member, but such total reduction shall not exceed 40 per centum.

"'(d) Any employee or Member who is separated from the service before becoming eligible for immediate or deferred annuity or who transfers to a position wherein he does not continue subject to this Act shall be paid the voluntary contribution account. Any employee or Member who is separated from the service after becoming eligible for a deferred annuity under section 8 may elect to receive, in lieu of additional annuity, the voluntary contribution account, provided his separation occurs and application for payment is filed with the Commission at least thirty-one days before the commencing date of annuity.

"'(e) If any present or former employee or Member not retired dies, the voluntary contribution account shall be paid under the provisions of section 11 (c). If all additional annuities or any right thereto based on the voluntary contribution account of a deceased employee or Member terminate before the total additional annuity paid equals such account, the difference shall be paid under the provisions of section 11 (c).

"'*Reemployment of annuitants*

"'SEC. 13. (a) Notwithstanding any other provision of law, an annuitant heretofore or hereafter retired under this Act shall not, by reason of his retired status, be barred from employment in any appointive position for which he is qualified. An annuitant so reemployed shall serve at the will of the appointing officer.

"'(b) If an annuitant under this Act (other than (1) a disability annuitant whose annuity is terminated by reason of his recovery or restoration of earning capacity, (2) an annuitant whose annuity was based upon an involuntary separation from the service, excluding a separation under the automatic separation provisions of this Act, or (3) a Member retired under this Act) hereafter becomes employed, or on the date of enactment of the Civil Service Retirement Act Amendments of 1956 is serving, in an appointive or elective position, his service on and after the date he was or is so employed shall be covered by this Act. No deductions for the fund shall be withheld from his salary, but there shall be deducted from his salary, except for lump-sum leave payment purposes under the Act of December 21, 1944, a sum equal to the annuity allocable to the period of actual employment, and this provision concerning the lump-sum leave payments shall also be effective in the case of each retired employee separated from reemployment after December 15, 1953, and before the effective date of the Civil Service Retirement Act Amendments of 1956: *Provided*, That if such annuitant serves on a full-time basis for at least one year in employment not excluding him under section 2 (b) from coverage, (1) his annuity upon termination of employment shall be increased by an annuity computed under subsections (a), (b), (d), (e), and (f) of section 9 as may apply based upon the period of and the basic salary (before deduction) averaged during such employment, and (2) his lump-sum credit shall not be reduced by annuity paid during such employment. The employment of an annuitant under this subsection shall not operate to create an annuity for or in any manner affect the annuity of any survivor.

"'(c) If a Member heretofore or hereafter retired under this Act hereafter becomes employed in an appointive or elective position, annuity payments shall be discontinued during such employment and resumed in the same amount upon termination of such employment: *Provided*, That if such retired Member takes office as Member and gives notice as provided in section 2 (c), his service as Member during such period shall be credited in determining his right to and the amount of his subsequent annuity: *Provided further*, That this subsection shall not apply to a Member appointed by the President of the United States to a position not requiring confirmation by the Senate.

"'*Payment of benefits*

"'SEC. 14. (a) Each annuity is stated as an annual amount, one-twelfth of which, fixed at the nearest dollar, accrues monthly and is payable on the first business day of the month after it accrues.

"'(b) Except as otherwise provided, the annuity of an employee shall commence on the first of the month after separation from the service, or on the first of the month after salary ceases provided the employee meets the service and the age or disability requirements for title to annuity at that time. The annuity of a Member or of an elected officer of the Senate or House of Representatives shall commence on the day following the day on which salary shall cease provided the person entitled to such annuity meets the service and the age or disability requirements for title to annuity at that time. The annuity of an employee or Member under section 8 shall commence on the first of the month after the occurrence of the event on which payment of the annuity is based.

"'(c) An annuity shall terminate on the last day of the month preceding the month in which death or any other terminating event provided in this Act occurs.

"'(d) Any person entitled to annuity from the fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect.

"'(e) Where any payment is due a minor, or a person mentally incompetent or under other legal disability, such payment may be made to the person who is constituted guardian or other fiduciary by the law of the State of residence of such claimant or is otherwise legally vested with the care of the claimant or his estate: *Provided*, That where no guardian or other fiduciary of the person under legal disability has been appointed under the laws of the State of residence of the claimant, payment may be made to any person who in the judgment of the Commission is responsible for the care of the claimant, and such payment shall be a bar to recovery by any other person.

"'*Exemption from legal processes*

"'SEC. 15. (a) None of the moneys mentioned in this Act shall be assignable, either in law or equity, or be subject to execution, levy, attachment, garnishment, or other legal process.

"'(b) Notwithstanding any other provision of law, there shall be no recovery of any payments under this Act from any person when, in the judgment of the Commission, such person is without fault and such recovery would be contrary to equity and good conscience; nor shell there be any withholding of recovery of any moneys mentioned in this Act on account of any certification or payment made by any former employee of the United States in the discharge of his official duties unless the head of the department or agency on behalf of which the certification or payment was made certifies to the Commission that such certification or payment involved fraud on the part of such employee.

"'*Administration*

"'SEC. 16. (a) This Act shall be administered by the Commission. Except as otherwise specifically provided herein, the Commission is hereby authorized and directed to perform, or cause to be performed, any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this Act into full force and effect.

"'(b) Applications under this Act shall be in such form as the Commission shall prescribe, and shall be supported by such certificates from departments or agencies as the Commission may deem necessary to the determination of the rights of applicants. The Commission shall adjudicate all claims under this Act.

"'(c) Questions of dependency and disability arising under this Act shall be determined by the Commission and its decisions with respect to such matters shall be final and conclusive and shall not be subject to review. The Commission may order or direct at any time such medical or other examinations as it shall deem necessary to determine the facts relative to the disability or dependency of any person receiving or applying for annuity under this Act, and may suspend or deny any such annuity for failure to submit to any such examination.

"'(d) An appeal to Commission shall lie from any administrative action or order affecting the rights or interests of any person or of the United States under this Act, the procedure on appeal to be prescribed by the Commission.

"'(e) Fees for examinations made under the provisions of this Act, by physicians or surgeons who are not medical officers of the United States, shall be fixed by the Commission, and such fees, together with reasonable traveling and other expenses incurred in connection with such examinations, shall be paid out of the appropriations for the cost of administering this Act.

"'(f) The Commission shall publish an annual report upon the operations of this Act and shall include in each such report a statement with respect to the status of the fund on a normal cost plus interest basis.

"'(g) The Commission is hereby authorized and directed to select three actuaries, to be known as the Board of Actuaries of the Civil Service Retirement System. It shall be the duty of such Board to report annually upon the actuarial status of the system and to furnish its advice and opinion on matters referred to it by the Commission, and it shall have the authority to recommend to the Commission and to the Congress such changes as in the Board's judgment may be deemed necessary to protect the public interest and maintain the system upon a sound financial basis. The Commission shall keep or cause to be kept such records as it deems necessary for making periodic actuarial valuations of the Civil Service Retirement System, and the Board shall make such valuations at intervals of five years, or oftener if deemed necessary by the Commission. The compensation of the members of the Board of Actuaries, exclusive of such members as are in the employ of the Uinted States, shall be fixed by the Commission.

"'*Civil service retirement and disability fund*

"'SEC. 17. (a) The fund is hereby appropriated for the payment of benefits as provided in this Act.

"'(b) The Secretary of the Treasury is hereby authorized to accept and credit to the fund moneys received in the form of donations, gifts, legacies, or bequests, or otherwise contributed for the benefit of civil-service employees generally.

"'(c) The Secretary of the Treasury shall immediately invest in interest-bearing securities of the United States, such currently available portions of the fund as are not immediately required for payments from the fund, and the income derived from such investments shall constitute a part of the fund.

"'(d) The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of public-debt obligations for

purchase by the fund. Such obligations issued for purchase by the fund shall have maturities fixed with due regard for the needs of the fund and bear interest at a rate equal to the average rate of interest computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt that are not due or callable until after the expiration of five years from the date of original issue; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such obligations shall be the multiple of one-eighth of 1 per centum nearest such average rate. Such obligations shall be issued for purchase by the fund only if the Secretary of the Treasury determines that the purchase in the market of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

"'(e) The Commission shall submit estimates of the appropriations necessary to finance the fund on a normal cost plus interest basis and to continue this Act in full force and effect.

"'Short title

"'SEC. 18. This act may be cited as the "Civil Service Retirement Act".'

"Members of faculty of Naval Academy

"SEC. 402. (a) On and after the effective date of this title persons employed as members of the civilian faculties of the United States Naval Academy and the United States Naval Postgraduate School shall be included within the terms of the Civil Service Retirement Act, and on and after that date the Act of January 16, 1936 (49 Stat. 1092), as amended, shall not apply to such persons.

"(b) In lieu of the deposit prescribed by section 4 (c) of the Civil Service Retirement Act, an employee who by virtue of subsection (a) is included within the terms of such Act shall deposit, for service rendered prior to the effective date of this title as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School, a sum equal to so much of the repurchase price of his annuity policy carried as required by the Act of January 16, 1936, as amended, as is based on the monthly allotments which were registered with the Navy Allotment Office toward the purchase of that annuity, the deposit to be made within six months after the effective date of this title. Should the deposit not be made within that period no credit shall be allowed under the Civil Service Retirement Act for service rendered as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School subsequent to July 31, 1920, and prior to the effective date of this title. If the deposit is made, such service shall be held and considered to be service during which the employee was subject to the Civil Service Retirement Act.

"Continuation of prior rights

"SEC. 403. Except as otherwise provided, the amendments made by this title shall not apply in the case of employees or Members retired or otherwise separated prior to its effective date, and the rights of such persons and their survivors shall continue in the same manner and to the same extent as if this title had not been enacted. In the case of any Member heretofore separated with title to an annuity under the Act of May 29, 1930, as amended, the annuity of such Member and of any survivor of such Member shall be computed, and shall be paid only from and after the effective date of this title, as if the Act of August 11, 1955 (69 Stat. 692), had been in effect on the date of the separation of such Member.

"Vice President

"SEC. 404. In the case of any person holding the office of Vice President on the effective date of this title, service performed in such office shall be considered service during which he was subject to the Civil Service Retirement Act for the purpose of section 3 (g) thereof.

"Forfeiture of annuities of persons remaining outside United States to avoid prosecution

"SEC. 405. The Act entitled 'An Act to prohibit payment of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes', approved September 1, 1954 (68 Stat. 1142), is amended by adding at the end of section 2 thereof a new subsection as follows:

"'(c) In any case in which, after the date of enactment of this subsection, any person under indictment for any offense within the purview of the first section of this Act wilfully remains outside the United States, its Territories, and possessions, for a period in excess of one year with knowledge of such indictment, no annuity or retired pay shall be paid, for any period subsequent to the end of such one-year period to such person or to the survivor or beneficiary of such person, on the basis of the service of such person, as an officer or employee of the Government unless and until a nolle prosequi to the entire indictment is entered upon the record of such person returns and thereafter the indictment is dismissed or after trial by court the accused is found not guilty of the offense or offenses charged in the indictment.'

"Effective date

"SEC. 406. This title shall take effect on the first day of the first month which begins more than sixty days after the date of enactment of this Act

"Short title

"SEC. 407. This title may be cited as the 'Civil Service Retirement Act Amendments of 1956.'

"TITLE V—ADDITIONAL SCIENTIFIC AND PROFESSIONAL POSITIONS

"SEC. 501. (a) Subsections (a) and (b) of the first section of the Act of August 1, 1947 (61 Stat. 715; Public Law 313, Eightieth Congress), as amended, are amended to read as follows: '(a) the Secretary of Defense is authorized to establish and fix the compensation for not more than one hundred and twenty positions in the Department of Defense and not more than twenty-five positions in the National Security Agency, each such position being established to effectuate those research and development functions, relating to the national defense, military and naval medicine, and any and all other activities of the Department of Defense and the National Security Agency, as the case may be, which require the services of specially qualified scientific or professional personnel.

"'(b) The Chairman of the National Advisory Committee for Aeronautics is authorized to establish and fix the compensation for, in the headquarters and research stations of the National Advisory Committee for Aeronautics, not to exceed thirty positions in the professional and scientific service, each such position being established in order to enable the National Advisory Committee for Aeronautics to secure and retain the services of specially qualified personnel necessary in the discharge of the duty of the Committee to supervise and direct the scientific study of the problems of flight with a view to their practical solution.'

"(b) Nothing contained in the amendment made to such Act of August 1, 1947, by subsection (a) of this section shall affect any position existing under authority of subsection (a) of the first section of such Act of August 1, 1947, as in effect immediately prior to the effective date of such amendment, the compensation attached to any such position, and any incumbent thereof, his appointment thereto, and his right to receive the compensation attached thereto, until appropriate action is taken under authority of subsection (a) of such first section of such Act of August 1, 1947, as contained in the amendment made by subsection (a) of this section.

"SEC. 502. Section 505 (b) of the Classification Act of 1949, as amended (69 Stat. 17[illegible]; 5 U. S. C., sec. 1105), is amended to read as follows:

"'(b) Subject to subsections (c), (d), and (e) of this section, a majority of the Civil Service Commissioners are authorized to establish and, from time to time, revise the maximum numbers of positions (not to exceed twelve hundred and twenty-six) which may be in grades 16, 17, and 18 of the General Schedule at any one time, except that under such authority such maximum number of positions shall not exceed three hundred and twenty-nine for grade 17 and one hundred and thirty for grade 18.'

"SEC. 503. (a) The United States Civil Service Commission, the Librarian of Congress, the Comptroller General of the United States, and the Director of the Federal Bureau of Investigation of the Department of Justice, respectively, with respect to those positions within the purview of subsections (b), (c), (d), and (e), respectively, of section 505 of the Classification Act of 1949, as amended, and the appropriate authority, with respect to those positions under jurisdiction of such authority which are allocated to or placed in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended (including such positions so allocated or placed on a temporary or present incumbency basis), under any provision of law (including any reorganization plan) other than the above-specified subsections, which is in effect on or after the date of enactment of this subsection, shall submit, so long as such provision of law or reorganization plan remains in effect, to the Congress, not later than February 1 of each year, a report which sets forth—

"(1) the total number of such positions allocated to or placed in each of such grades during the immediately preceding calendar year, the total number of such positions allocated to or placed in each of such grades during such immediately preceding calendar year, and the total number of such positions in existence during such immediately preceding calendar year and the grades to or in which such total number of positions in existence are allocated or placed.

"(2) the name, rate of compensation, and description of the qualifications of each incumbent of each such position, together with the position title and a statement of the duties and responsibilities performed by each such incumbent,

"(3) the position or positions in or outside the Federal Government held by each such incumbent, and his rate or rates of compensation, during the five-year period immediately preceding the date of appointment of each such incumbent to such position and

"(4) such other information as the Commission, officer, or other appropriate authority submitting such report may deem appropriate or which may be required by the Congress or a committee thereof.

"Nothing contained in this subsection shall require the resubmission of any information required under paragraphs (2) and (3) of this subsection which has been reported pursuant to this subsection and which remains unchanged.

"(b) In any instance in which the Commission, officer, or other appropriate authority so required to submit such report [illegible] find full public disclosure of any or all of the above-specified items to be detrimental [illegible]

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the national security, such Commission, officer, or authority is authorized—

"(1) to omit in such annual report those items with respect to which full public disclosure is found to be detrimental to the national security,

"(2) to inform the Congress of such omission, and

"(3) at the request of any congressional committee to which such report is referred, to present all information concerning such items.

"And the Senate agree to the same."

TOM MURRAY,
EDWARD H. REES,
JAMES H. MORRISON,
Managers on the Part of the House.

OLIN D. JOHNSTON,
JOHN O. PASTORE,
FRANK CARLSON,
WILLIAM E. JENNER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7619) to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the House bill and the Senate amendment and that the Senate agree to the same.

The conference substitute consists of five titles:

(1) Title I. Executive Pay

(2) Title II. Terms of Civil Service Commissioners and Succession to Duties of Chairman

(3) Title III. Miscellaneous Provisions

(4) Title IV. Civil Service Retirement

(5) Title V. Scientific and Professional Positions

The House bill related only to executive pay.

TITLE I. EXECUTIVE PAY

Title I of the conference substitute establishes salary levels for Cabinet officers, sub-Cabinet officers, and other executives of the Federal Government generally conforming to the salary levels for such officials provided by the bill as passed by the House. The salary levels for Cabinet officers ($25,000), for the Under Secretary of State, the Deputy Secretary of Defense, the Director, Office of Defense Mobilization, the Director, Bureau of the Budget, and the Comptroller General ($22,500), and for the Secretaries of the Army, Navy, and Air Force ($22,000), are the same as in the House bill.

Principal differences in the conference substitute and the bill as passed by the House are: (1) Chairmen of major boards and commissions are in salary level of $20,500 under the conference substitute, compared to levels of $19,500 and $20,000 in the House bill and (2) Assistant Secretaries of executive and military departments (including Assistant Postmasters General), administrators of certain bureaus and agencies, and members of major boards and commissions are placed in the $20,000 salary level under the conference substitute, compared to a salary level of $19,000 in the House bill. The salaries of governors of Territories and possessions are placed at $19,000 under the conference substitute.

The conference substitute establishes a proper alinement between salaries of Cabinet officers, sub-Cabinet officers, and the heads of the various agencies, independent establishments, and bureaus in accordance with the level of the duties and responsibilities of such positions.

The Senate amendment provided for the establishment of specified numbers of administrative assistants and other secretaries or immediate staff assistants in the White House Office. The conferees on the part of the House agreed to the total number of such positions as contained in the Senate amendment, and the conference substitute approves such positions without regard to the assignment and distribution thereof.

In accordance with the bill as passed by the House, the conference substitute increases the maximum salaries under the Classification Act of 1949 (grade GS-18) and under the Postal Field Service Compensation Act of 1955 (salary level 20) from $14,800 to $16,000, with appropriate adjustments in salary steps for the immediate lower grade and levels provided in those acts. Maximum salaries for chief medical officers and assistants in the Veterans' Administration are increased, under the conference substitute and the bill as passed by the House, to maintain the existing relationship between such salaries and the salaries of other Government officials and of classified and postal field service positions.

TITLE II. TERMS OF CIVIL SERVICE COMMISSIONERS AND SUCCESSION TO DUTIES OF CHAIRMAN

Title II of the conference substitute establishes 6-year, staggered terms of office for United States Civil Service Commissioners; provides for designation by the President of a Vice Chairman of the Commission; and provides a line of succession to perform the duties and responsibilities of the Chairman of the Civil Service Commission by the Vice Chairman, in the absence of the Chairman, and by the other member of the Commission in the absence of the Chairman and Vice Chairman. The bill as passed by the House contained no such provision. However, this provision of the conference substitute is identical to the recommendation of the House committee in House Report No. 1844 with respect to the terms of office of Civil Service Commissioners and succession to the responsibilities of Chairman of the Commission in his absence.

TITLE III. MISCELLANEOUS PROVISIONS

Title III of the conference substitute provides for the appointment by the President, by and with the advice and consent of the Senate, of a General Counsel of the Post Office Department, a General Counsel of the Department of Agriculture, and a General Counsel of the Department of Health, Education, and Welfare to replace the existing offices of the chief legal officers of such Departments which will be abolished. The House bill contained no such provision.

The Senate amendment authorized the Director of the Administrative Office of the United States Courts to place a total of 4 positions in grade GS-18 of the general schedule of the Classification Act of 1949, and provided that the positions of 7 directors of commodity offices, Commodity Stabilization Service, Department of Agriculture, shall be in grade GS-16 of such schedule. The bill as passed by the House contained no such provisions. The conference substitute does not contain such provisions, but increases by 11 positions the total number of supergrade positions which a majority of the Civil Service Commissioners are authorized to place in appropriate grades of the general schedule. It is the understanding of the committee on conference that the Civil Service Commission will immediately consider the 11 positions in question to determine if they merit these grades.

Three positions allocated by the Senate bill in grade 18 for deputy administrators for the Agricultural Research Service are contained in the conference substitute. The bill as passed by the House contained no such provision.

TITLE IV. CIVIL SERVICE RETIREMENT

The conference substitute contains a complete revision of the Civil Service Retirement Act of May 29, 1930. The House bill contained no such provision.

The conference substitute greatly liberalizes retirement benefits of Federal employees. The cost to the Government of the added benefits is estimated at $310 million a year. The major new employee benefits provided by the conference substitute are:

Annuities will be computed at (a) 2 percent of the high average salary multiplied by all years of service in excess of 10 plus 1½ percent of such salary multiplied by the first 5 years of service, plus 1¾ percent of the years of service from 5 to 10, or (b) 1 percent of high average salary, plus $25, multiplied by total years of service, whichever is greater. Under present law annuities are computed on the basis of 1½ percent of high average salary, or 1 percent of such salary plus $25, multiplied by total years of service, whichever is greater.

The annuity of an employee electing a survivor annuity will be reduced by 2½ percent of the first $2,400 and 10 percent of the balance. The present reduction is 5 percent of the first $1,500 and 10 percent of the balance.

Optional retirement is authorized at age 62 after 5 years of service, with the right to elect survivor benefits. Present law provides an annuity after 5 years of service, but requires 15 years of service for election of survivor benefits.

The present right to retire on a reduced annuity at age 55 after 30 years of service is continued.

The reduction factor for retirement before reaching age 60 is changed from 3 percent a year to 1 percent for each year the retiring employee is under age 60 and 2 percent for each year under age 55.

Disability benefits are liberalized by providing a minimum of 40 percent of the average salary, or the annuity which would have been earned at age 60, whichever is the lesser.

An annuity is granted upon involuntary separation after attaining the age of 50 years with 20 years of service, and the existing provision for annuity upon involuntary separation after 25 years of service, regardless of age, is continued.

Upon death of an employee after 5 years of service, or of a retired employee, the surviving widow or widower will receive an annuity equal to 50 percent of the earned annuity of the decedent, beginning the first month after such death.

Survivor annuities of children of an employee who dies after 5 years of service, or of a retired employee who dies, are increased by an average of 150 percent.

An annuitant who is reemployed and serves at least 1 full-time year on active duty in a position covered by the Retirement Act will receive an annuity based on his reemployed service as well as his annuity based on the original retirement. Any lump-sum leave credit will not be reduced by reason of annuity paid to him during reemployment.

Members of the civilian faculties of the Naval Academy and Naval Postgraduate School, and United States commissioners who meet certain tests of minimum compensation and service, are brought into the civil service retirement system.

Status of civil-service retirement fund

In the judgment of the managers on the part of the House, the conference substitute is both generous and realistic. It provides greatly liberalized retirement benefits and at the same time improves the financial soundness of the civil-service retirement fund.

The financial condition of the retirement fund has deeply concerned the House Post Office and Civil Service Committee for some time past. Recommendations of the com-

mittee based on its extensive study of methods of financing the fund were presented to the House and printed in House Report No. 1844, 84th Congress.

The committee found that there are three essentials to proper financing of the retirement fund. They are (1) employee contributions to the fund in amounts related to benefits provided and to recognized standards for a staff annuity system, (2) equal contributions to the fund by the Government as a payroll cost of each department and agency, and (3) appropriations by the Government to the fund in amounts which, when added to such contributions by the employees and matching contributions by the Government, will place in the fund each year the sum required to maintain it on a "normal cost plus interest" basis.

The normal cost-plus-interest basis for financing the retirement fund is defined in the conference substitute. In brief, it requires appropriations to the retirement fund each year to cover that part of the Government's share of accrued normal costs for the current year which are not met by the matching contributions of the departments and agencies and, in addition, interest on the past deficiency of the fund. When added to the contributions of the employees and of the departments and agencies, such appropriations will maintain the fund on a sound basis and the present deficit ($13,435,000.000 at June 30, 1955) will not be further increased.

The Civil Service Commission estimates that upon approval of the conference substitute an appropriation of approximately $555 million will be required each fiscal year to maintain the retirement fund on a normal cost-plus-interest basis. The fund also will receive $582 million from employee deductions and a like amount from contributions by the departments and agencies.

The normal cost plus interest method of financing the retirement fund is recommended by the board of actuaries of the civil service retirement and disability fund, by the Committee on Retirement Policy for Federal Personnel (created by Public Law 555, 82d Cong., to study all Federal retirement systems) and by independent actuarial and retirement authorities. It is the traditional basis of appropriation estimates by the Civil Service Commission for financing the fund.

It is emphasized that the major portion of the past deficiency, on which the Government pays interest, results from two factors—first, the "starting load" when the retirement system was first established, that is, the requirement to pay annuities based on long periods of service during which little or no contributions were made by the employees being retired under the system, and second, numerous increases in benefits throughout the years since with no accompanying provision for adequate financing. This condition necessitates the adoption of a firm basis for financing the retirement fund which will prevent further increase in the deficiency. The conference substitute contains the three essentials for financing the retirement fund on a normal cost plus interest basis, which will accomplish this purpose. It requires employees' contributions of 6½ percent of salary and matching contributions by the departments and agencies. It directs the Civil Service Commission to submit annual estimates of appropriations necessary to finance the fund on a normal cost plus interest basis and to continue the retirement system in full force and effect.

These and certain other fiscal adjustments provided by the conference substitute will greatly strengthen the financing of the retirement fund and assure its soundness in the future. The benefits granted by the conference substitute are the maximum benefits that could be granted Federal employees within the limits of sound financing.

The conference substitute authorizes the Secretary of Defense to establish not more than 120 scientific and professional positions (in lieu of 45 now authorized) in the Department of Defense and not more than 25 such positions in the National Security Agency, to carry out research and development functions relating to national defense and military and naval medicine. It authorizes the Chairman of the National Advisory Committee for Aeronautics to establish 30 such positions in his agency. A salary range of $12,500 to $19,000 is established for such positions by title I of the conference substitute. The bill as passed by the House contained no such provision. However, the House in this Congress already has passed H. R. 11040, to create a substantially larger number of such positions. It is expected that the need for additional positions of this type will be reexaimined early in the next Congress.

The conference substitute also increases, from 1,200 to 1,226, the maximum number of positions in grades 16, 17, and 18 of the general schedule in the Classification Act of 1949 which a majority of the Civil Service Commissioners are authorized to establish in accordance with that act. The existing provision for reports by the Civil Service Commission to Congress on the total number of such positions and the number thereof in each supergrade, contained in the Senate amendment, is replaced in the conference substitute by a requirement for reports to Congress by the Commission, and by other authorities authorized to establish like positions, setting forth, in addition to such information, information with respect to qualifications of incumbents of these positions and other information that is deemed appropriate or required by the Congress or a committee thereof.

The language in the conference substitute is identical to many sections of S. 2875, as reported to the House, and in other respects to the language contained in the bill as it passed the Senate. In this respect attention is directed to a more complete analysis in House Report No. 2854 and Senate Report No. 1787, reports on S. 2875.

TOM MURRAY,
EDWARD H. REES,
JAMES H. MORRISON,
Managers on the Part of the House.

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report on the bill (H. R. 7619) to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

Mr. REES of Kansas. Mr. Speaker, this conference agreement represents one of the most substantial liberalizations of the Federal employees retirement system. Annuities of present employees and their widows will be increased by about 25 percent and those of children by 150 percent.

The last major revision of the Federal employees retirement system was made in 1948, in the 80th Congress, at which time I had the honor to be chairman of the committee that developed many of the programs which this piece of legislation improves. In 1948, for the first time we provided survivors' benefits for widows and children of Federal employees. Before that time there had been no survivor benefits for children and widows of Federal employees. These benefits are greatly liberalized by this legislation.

Under this bill a retiring employee may provide an annuity for his widow by merely taking a reduction of 2½ percent on the first $2,400 of his annuity and 10 percent on all above that as compared to the present 5 percent on the first $1,500 and 10 percent on all over that.

One of the major improvements made by this legislation is a revision of the formula for computing the annuity of those Federal employees who are retiring. Today an employee receives 1½ percent on highest 5-year average salary multiplied by his years of service. Under the bill he will receive 1½ percent for the first 5 years, 1¾ percent for the next 5 years, and 2 percent for the remainder of his service.

Another major benefit in the bill affects those employees who retire at ages less than 60. Presently the reduction formula for each year under 60 is 3 percent per year. Under the bill it will be 1 percent for each year under 60, and 2 percent for each year under 55.

Another major benefit is a provision for a minimum annuity of 40 percent of an employee's average annual salary if retired for disability regardless of age.

Still another provision will permit an employee with 20 years' service and age 50 to receive an immediate annuity if involuntarily separated. The retirement at 25 years at any age at involuntary separation is retained. This provision is particularly important because it permits employees with 20 years' service at age 50 to retire and retain their Government insurance at the full face value until age 65 with no cost to them. The 30-year, age 55 retirement provision in present law is retained in the conference bill.

The bill (S. 2875) which the House Committee on Post Office and Civil Service reported last week with language as drafted, while not considered by the House as a whole, was very beneficial in the conference. A large portion of its language, provisions and policies is contained in the conference bill.

I can assure the Members that the employees will be pleased with the provisions of this bill. If you could have seen the smiles and congratulations coming from the officials of the employee organizations you would surely appreciate their satisfaction with its provisions.

I can assure the Members that all provisions of this bill have been thoroughly considered in conference. I firmly believe that it is a good bill and represents a major advance in the modernization of laws affecting all Federal employees.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

(Mr. MURRAY of Tennessee asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MURRAY of Tennessee. Mr. Speaker, the conference agreement on

H. R. 7619 contains a number of major bills added to a bill which passed the House last session and which was limited to the adjustment of the rates of compensation for the heads of the executive departments and agencies.

The Senate added four more titles in addition to executive pay, as follows:

Title I, executive pay.

Title II, terms of Civil Service Commissioners and succession to duties of Chairman.

Title III, miscellaneous provisions.

Title IV, civil-service retirement.

Title V, scientific and professional positions.

I will discuss the major points contained in the conference agreement consecutively as they appear in the bill.

Title I relates to executive pay. It establishes salary levels for Cabinet officers at $25,000 per annum, for the Under Secretary of State, the Deputy Secretary of Defense, Director, Office of Defense Mobilization, Director, Bureau of the Budget, and the Comptroller General at $22,500, and for the Secretaries of the Army, Navy, and Air Force at $22,000.

Salaries for the chairmen of major boards and commissions is placed at $20,500, Assistant Secretaries of executive and military departments, including Assistant Postmasters General, administrators of certain bureaus and agencies, and members of major boards and commissions at $20,000, and salaries of governors of Territories and possessions at $19,000 per annum.

The conference agreement establishes a proper alinement between salaries of Cabinet officers, sub-Cabinet officers, and the heads of the various agencies, independent establishments, and bureaus in accordance with the level of the duties and responsibilities of such positions.

It also increases the maximum salaries under the Classification Act of 1949—GS-18—and under the Postal Field Service Compensation Act of 1955—salary level 20—from $14,800 to $16,000, with appropriate adjustments in salary steps for the immediate lower grade and levels provided in those acts.

Maximum salaries for chief medical officers and assistants in the Veterans' Administration are increased to maintain the existing relationship between their salaries and the salaries of other Government officials and of classified and postal field service positions.

Title II establishes the terms of Civil Service Commissioners as a 6-year staggered term of office and also provides for a line of succession to the Chairmanship through the other Commissioners in the absence of the Chairman.

Title III provides for the appointment by the President, by and with the advice of the Senate, of General Counsels of the Post Office Department, Department of Agriculture, and Health, Education, and Welfare, to replace the existing offices of the chief legal officers of those Departments.

Title IV contains a complete revision of the Civil Service Retirement Act of May 29, 1930. It liberalizes retirement benefits of Federal employees. The cost to the Government of the added benefits is estimated at $345 million a year, $35 million of which will be absorbed as the net result of increased employees' contributions. The major new employee benefits provided by the conference agreement are:

At the present time, civil service annuities are based upon 1½ percent of the highest average annual salary over a period of 5 consecutive years times the total years of service. This bill will change that formula so that it will be 1½ percent for the first 5 years of service, 1¾ percent for the next 5 years of service, and 2 percent for the remainder, multiplied by the years of service.

The annuity of an employee electing a survivor annuity will be reduced by 2½ percent of the first $2,400 and 10 percent of the balance. The present reduction is 5 percent of the first $1,500 and 10 percent of the balance.

Optional retirement is authorized at age 62 after 5 years of service, with the right to elect survivor benefits. Present law provides an annuity after 5 years of service, but requires 15 years of service for election of survivor benefits.

The present right to retire on a reduced annuity at age 55 after 30 years of service is continued.

The reduction factor for retirement before reaching age 60 is changed from 3 percent a year to 1 percent for each year the retiring employee is under age 60 and 2 percent for each year under age 55.

Disability benefits are liberalized by providing a minimum of 40 percent of the average salary, or the annuity which would have been earned at age 60, whichever is the lesser.

An annuity is granted upon involuntary separation after attaining the age of 50 years with 20 years of service, and the existing provision for annuity upon involuntary separation after 25 years of service, regardless of age, is continued.

Upon death of an employee after 5 years of service, or of a retired employee, the surviving widow or widower will receive an annuity equal to 50 percent of the earned annuity of the decedent, beginning the first month after such death.

Survivor annuities of children of an employee who dies after 5 years of service, or of a retired employee who dies, are increased by an average of 150 percent.

An annuitant who is reemployed and serves at least 1 full-time year on active duty in a position covered by the Retirement Act will receive an annuity based on his reemployed service as well as his annuity based on the original retirement. Any lump-sum leave credit will not be reduced by reason of annuity paid to him during reemployment.

Members of the civilian faculties of the Naval Academy and Naval Postgraduate School, and United States Commissioners who meet certain tests of minimum compensation and service, are brought into the civil-service retirement system. Contributions of the employees will be 6½ percent and Members 7½ percent.

STATUS OF CIVIL SERVICE RETIREMENT FUND

In the judgment of the managers on the part of the House, the conference agreement is both generous and realistic. It provides liberalized retirement benefits and at the same time improves the financial soundness of the civil-service retirement fund.

The financial condition of the retirement fund has deeply concerned the House Post Office and Civil Service Committee for some time past. Recommendations of the committee based on its extensive study of methods of financing the fund were presented to the House and printed in House Report No. 1844, 84th Congress.

The committee found that there are three essentials to proper financing of the retirement fund. They are, first, employee contributions to the fund in amounts related to benefits provided and to recognized standards for a staff annuity system; second, equal contributions to the fund by the Government as a payroll cost of each department and agency; and, third, appropriations by the Government to the fund in amounts which, when added to such contributions by the employees and matching contributions by the Government, will place in the fund each year the sum required to maintain it on a normal cost-plus-interest basis.

The normal cost-plus-interest basis for financing the retirement fund is defined in the conference agreement. In brief, it requires appropriations to the retirement fund each year to cover that part of the Government's share of accrued normal costs for the current year which are not met by the matching contributions of the departments and agencies and, in addition, interest on the past deficiency of the fund. When added to the contributions of the employees and of the departments and agencies, such appropriations will maintain the fund on a sound basis and the present deficit—$13,435,000,000 at June 30, 1955—will not be further increased.

The language in the conference agreement is identical to many sections of S. 2875, as reported to the House, and in other respects to the language contained in the bill as it passed the Senate. In this respect attention is directed to a more complete analysis in House Report No. 2854 and Senate Report No. 1787, reports on S. 2875.

AMENDING TITLE II OF SOCIAL SECURITY ACT

Mr. COOPER submitted the following conference report and statement on the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes.

CONFERENCE REPORT (H. REPT. No. 2936)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continua-

tion of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 18, 37, 47, 56, 92, 96, 97, 98, and 101.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 11, 13, 14, 17, 24, 28, 29, 30, 31, 32, 33, 36, 38, 39, 40, 41, 43, 44, 45, 49, 50, 55, 63, 66, 67, 68, 69, 70, 71, 76, 82, 83, 84, 85, 86, 88, 94, and 99, and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with amendments as follows:

On page 4, line 17, and on page 5, lines 1, 8, 10, and 14, of the Senate engrossed amendments, strike out "August" each place it appears and insert "December".

On page 4, line 18, of the Senate engrossed amendments, strike out "August" and insert "September".

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with amendments as follows:

On page 6, lines 3, 5, and 9, of the Senate engrossed amendments, strike out "August" each place it appears and insert "October".

On page 6, lines 16 and 17, of the Senate engrossed amendments, strike out "December" each place it appears and insert "October".

On page 6, line 19, of the Senate engrossed amendments, strike out all after "Act." down to and including line 24.

On page 7, lines 4, 7, and 17, strike out "1957" and insert "November 1956".

On page 7, line 8, of the Senate engrossed amendments, strike out "1957" and insert "1956".

On page 7, line 12, of the Senate engrossed amendments, strike out "January 1957" and insert "November 1956".

On page 7, line 20, of the Senate engrossed amendments, strike out "such Act" and insert "the Social Security Act".

On page 7, line 25, of the Senate engrossed amendments, strike out "December" and insert "October".

On page 8, line 2, of the Senate engrossed amendments, strike out "118" and insert "114".

On page 8 of the Senate engrossed amendments, strike out line 6 and all that follows over to and including line 14, on page 14, and insert:

"(q) (1) The old-age insurance benefit of any woman for any month prior to the month in which she attains the age of sixty-five shall be reduced by—

"(A) 5/9 of 1 per centum, multiplied by

"(B) the number equal to the number of months in the period beginning with the first day of the first month for which she is entitled to an old-age insurance benefit and ending with the last day of the month before the month in which she would attain the age of sixty-five.

"(2) The wife's insurance benefit of any wife for any month after the month preceding the month in which she attains the age of sixty-two and prior to the month in which she attains the age of sixty-five shall be reduced by—

"(A) 25/36 of 1 per centum, multiplied by

"(B) the number equal to the number of months in the period beginning with the first day of the first month for which she is entitled to such wife's insurance benefit and ending with the last day of the month before the month in which she would attain the age of sixty-five, except that in no event shall such period start earlier than the first day of the month in which she attains the age of sixty-two.

The preceding provisions of this paragraph shall not apply to the benefit for any month in which such wife has in her care (individually or jointly with the individual on whose wages and self-employment income such wife's insurance benefit is based) a child entitled to child's insurance benefits on the basis of such wages and self-employment income. With respect to any month in the period specified in clause (B) of the first sentence, if such wife does not have in such month such a child in her care (individually or jointly with such individual), she shall be deemed to have such a child in her care in such month for the purposes of the preceding sentence unless there is in effect for such month a certificate filed by her with the Secretary, in accordance with regulations prescribed by him, in which she elects to receive wife's insurance benefits reduced as provided in this subsection. Any certificate filed pursuant to the preceding sentence shall be effective for purposes of such sentence—

"(i) for the month in which it is filed, and for any month thereafter, if in such month she does not have such a child in her care (individually or jointly with such individual), and

"(ii) for the period of one or more consecutive months (not exceeding twelve) immediately preceding the month in which such certificate is filed which is designated by her (not including as part of such period any month in which she had such a child in her care (individually or jointly with such individual)).

If such a certificate is filed, the period referred to in clause (B) of the first sentence of this paragraph shall commence with the first day of the first month (i) for which she is entitled to a wife's insurance benefit, (ii) which occurs after the month preceding the month in which she attained the age of sixty-two, and (iii) for which such certificate is effective.

"(3) In the case of any woman who is entitled to an old-age insurance benefit to which paragraph (1) is applicable and who, for the first month for which she is so entitled (but not for any prior month) or for any later month occurring before the month in which she attains the age of sixty-five, is entitled to a wife's insurance benefit to which paragraph (2) is applicable, the amount of such wife's insurance benefit for any month prior to the month in which she attains the age of sixty-five shall, in lieu of the reduction provided in paragraph (2), be reduced by the sum of—

"(A) an amount equal to the amount by which such old-age insurance benefit for such month is reduced under paragraph (1), plus

"(B) an amount equal to—

"(i) the number equal to the number of months specified in clause (B) of paragraph (2), multiplied by

"(ii) 25/36 of 1 per centum, and further multiplied by

"(iii) the excess of such wife's insurance benefit prior to reduction under this subsection over the old-age insurance benefit prior to reduction under this subsection.

"(4) In the case of any woman who is or was entitled to a wife's insurance benefit to which paragraph (2) is applicable and who, for any month after the first month for which she is or was so entitled (but not for such first month or any earlier month) occurring before the month in which she attains the age of sixty-five, is entitled to an old-age insurance benefit, the amount of such old-age insurance benefit for any month prior to the month in which she attains the age of sixty-five shall, in lieu of the reduction provided in paragraph (1), be reduced by the sum of—

"(A) an amount equal to the amount by which such wife's insurance benefit is reduced under paragraph (2) for such month (or, if she is not entitled to a wife's insurance benefit for such month, by an amount equal to the amount by which such benefit was reduced for the last month for which she was entitled thereto), plus

"(B) if the old-age insurance benefit for such month prior to reduction under this subsection exceeds such wife's insurance benefit prior to reduction under this subsection, an amount equal to—

"(i) the number equal to the number of months specified in clause (B) of paragraph (1), multiplied by

"(ii) 5/9 of 1 per centum, and further multiplied by

"(iii) the excess of such old-age insurance benefit over such wife's insurance benefit.

"'(5) In the case of any woman who is entitled to an old-age insurance benefit for the month in which she attains the age of sixty-five or any month thereafter such benefit for such month shall, if she was also entitled to such benefit for any one or more months prior to the month in which she attained the age of sixty-five and such benefit for any such prior month was reduced under paragraph (1) or (4), be reduced as provided in such paragraph, except that there shall be subtracted, from the number specified in clause (B) of such paragraph—

"'(A) the number equal to the number of months for which such benefit was reduced under such paragraph, but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203 (b),

and except that, in the case of any such benefit reduced under paragraph (4), there also shall be subtracted from the number specified in clause (B) of paragraph (2), for the purpose of computing the amount referred to in clause (A) of paragraph (4)—

"'(B) the number equal to the number of months for which the wife's insurance benefit was reduced under such paragraph (2), but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203 (b) or under section 203 (c), and

"'(C) the number equal to the number of months occurring after the first month for which such wife's insurance benefit was reduced under such paragraph (2) in which she had in her care (individually or jointly with the individual on whose wages and self-employment income such benefit is based) a child of such individual entitled to child's insurance benefits.

Such subtraction shall be made only if the total of such months specified in clauses (A), (B), and (C) of the preceding sentence is not less than three. For purposes of clauses (B) and (C) of this paragraph, a wife's insurance benefit shall not be considered terminated for any reason prior to the month in which she attains the age of sixty-five.

"'(6) In the case of any woman who is entitled to a wife's insurance benefit for the month in which she attains the age of sixty-five or any month thereafter, such benefit for such month shall, if she was also entitled to such benefit for any one or more months prior to the month in which she attained the age of sixty-five and such benefit for any such prior month was reduced under paragraph (2) or (3), be reduced as provided in such paragraph, except that there shall be subtracted from the number specified in clause (B) of such paragraph—

"'(A) the number equal to the number of months for which such benefit was reduced under such paragraph, but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203 (b) or under section 203 (c), and

"'(B) the number equal to the number of months, occurring after the first month for which such benefit was reduced under such paragraph, in which she had in her care

(individually or jointly with the individual on whose wages and self-employment income such benefit is based) a child of such individual entitled to child's insurance benefits, and except that, in the case of any such benefit reduced under paragraph (3), there also shall be subtracted from the number specified in clause (B) of paragraph (1), for the purpose of computing the amount referred to in clause (A) of paragraph (3)—

"(C) the number equal to the number of months for which the old-age insurance benefit was reduced under such paragraph (1) but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203 (b).

Such subtraction shall be made only if the total of such months specified in clauses (A), (B), and (C) of the preceding sentence is not less than three.

"(7) In the case of a woman who is entitled to an old-age insurance benefit to which paragraph (5) is applicable and who, for the month in which she attains the age of sixty-five (but not for any prior month) or for any later month, is entitled to a wife's insurance benefit, the amount of such wife's insurance benefit for any month shall be reduced by an amount equal to the amount by which the old-age insurance benefit is reduced under paragraph (5) for such month.

"(8) In the case of a woman who is or was entitled to a wife's insurance benefit to which paragraph (2) was applicable and who, for the month in which she attains the age of sixty-five (but not for any prior month) or for any later month, is entitled to an old-age insurance benefit, the amount of such old-age insurance benefit for any month shall be reduced by an amount equal to the amount by which the wife's insurance benefit is reduced under paragraph (6) for such month (or, if she is not entitled to a wife's insurance benefit for such month, by (i) an amount equal to the amount by which such benefit for the last month for which she was entitled thereto was reduced, or (ii) if smaller, an amount equal to the amount by which such benefit would have been reduced under paragraph (6) for the month in which she attained the age of sixty-five if entitlement to such benefit had not terminated before such month).

"(9) The preceding paragraphs shall be applied to old-age insurance benefits and wife's insurance benefits after reduction under section 203 (a) and application of section 215 (g). If the amount of any reduction computed under paragraph (1), under paragraph (2), under clause (A) or clause (B) of paragraph (3), or under clause (A) or clause (B) of paragraph (4) is not a multiple of $0.10, it shall be reduced to the next lower multiple of $0.10."

On page 19, line 6, of the Senate engrossed amendments, insert before "amended" "each".

And the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with amendments, as follows:

On page 20 of the Senate engrossed amendments, strike out lines 20, 21, and 22, and insert "section.".

On page 22, lines 3 and 7, of the Senate engrossed amendments, after "begins" each place it appears insert "not earlier than".

On page 23, line 5, of the Senate engrossed amendments strike out "a State" and insert "the United States or of a State".

On page 23, line 17, of the Senate engrossed amendments after "individual" insert "(i) did not attain retirement age in such month or in any prior month, and (ii)".

On page 24, line 11, of the Senate engrossed amendments, strike out "Trust Fund" and insert "Federal Disability Insurance Trust Fund".

On page 26, line 20, of the Senate engrossed amendments, strike out all after "Act." down to and including "cause." in line 23.

On page 27, line 24, of the Senate engrossed amendments, strike out "retirement age," and insert "the age of 65,".

On page 28, line 15, of the Senate engrossed amendments, strike out "attains retirement age" and insert "becomes entitled to old-age insurance benefits".

On page 31, line 10, of the Senate engrossed amendments, strike out "directors" and insert "collectors".

On page 31, line 15, of the Senate engrossed amendments, strike out "directors" and insert "collectors".

On page 32, lines 1 and 2, of the Senate engrossed amendments, strike out "or pursuant to sections 6011 (a), 6071, 6081 (a), 6091 (a), 6302 (b)" and insert "or to the Secretary of the Treasury or his delegate pursuant to subtitle F".

On page 32, line 19, of the Senate engrossed amendments, strike out "or chapter" and insert "or to the Secretary of the Treasury or his delegate on tax returns under subtitle F of such Code".

On page 33, line 23, of the Senate engrossed amendments, strike out "hereinafter provided" and insert "provided in this section".

On page 34, lines 7 and 8, of the Senate engrossed amendments, strike out "Commissioner of Internal Revenue pursuant to sections 6011 (a), 6071, 6081 (a), 6091 (a), 6302 (b)" and insert "Secretary of the Treasury or his delegate pursuant to subtitle F".

On page 34, lines 16, 17, and 18, of the Senate engrossed amendments, strike out "Commissioner of Internal Revenue on tax returns under chapter 2" and insert "Secretary of the Treasury or his delegate on tax returns under subtitle F".

On page 39, line 10, of the Senate engrossed amendments, strike out "Trust Fund" and insert "of the Trust Funds".

On page 39 of the Senate engrossed amendments, strike out lines 18 to 25, inclusive, and insert "amount estimated by him as taxes which are subject to refund under section 6413 (c) of the Internal Revenue Code of 1954 with respect to wages (as defined in section 1426 of the Internal Revenue Code of 1939 and section 3121 of the Internal Revenue Code of 1954) paid after December 31, 1950. Such taxes shall be determined on the basis of".

On page 40, lines 5 and 6, of the Senate engrossed amendments, strike out "and sections 6011 (a), 6071, 6081 (a), 6091 (a), and 6302 (b)" and insert "and to the Secretary of the Treasury or his delegate pursuant to subtitle F".

On page 43 of the Senate engrossed amendments, after line 15, insert:

"(j) Section 3121 (l) (6) of the Internal Revenue Code of 1954 is amended—

"(1) by striking 'TRUST FUND', in the heading, and inserting in lieu thereof 'TRUST FUNDS'; and

"(2) by inserting after 'Federal Old-Age and Survivors Insurance Trust Fund' the following: 'and the Federal Disability Insurance Trust Fund'."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

Restore the matter proposed to be stricken out by the Senate amendment, and on page 19, line 9, of the House engrossed bill, strike out "of 1930"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

Omit the matter proposed to be inserted by the Senate amendment, restore the matter proposed to be stricken out by the Senate amendment, and—

(1) on page 19, line 17, of the House engrossed bill, strike out "; or" and insert "a semicolon".

(2) on page 20, line 9, of the House engrossed bill, strike out "produced.'" and insert "produced; or'.".

And the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "doctor of medicine or"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with amendments, as follows:

On page 44, line 15, of the Senate engrossed amendments, strike out "(d)" and insert "(e)".

On page 44, line 18, of the Senate engrossed amendments, strike out "Indiana,"

On page 45, line 25, of the Senate engrossed amendments, strike out "of the Social Security Act".

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: On page 46, line 13, of the Senate engrossed amendments, strike out "(e)" and insert "(f)"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with amendments, as follows:

On page 47, line 9, of the Senate engrossed amendments, strike out "(f)" and insert "(g)".

On page 47, after line 10, of the Senate engrossed amendments, insert "'Policemen and Firemen in Certain States'".

And the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with amendments, as follows:

On page 48, line 6, of the Senate engrossed amendments, strike out "(g)" and insert "(h)".

On page 48, line 13, of the Senate engrossed amendments, insert a comma after "States" and before the quotation marks.

And the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(i) (1) The amendment made by subsection (a) shall apply with respect to service performed after 1956. The amendments made by paragraph (1) of subsection (c) shall apply with respect to service performed after 1954. The amendment made by paragraph (2) of subsection (c) shall apply with respect to taxable years ending after 1955. The amendment made by paragraph (3) of subsection (c) shall apply with respect to taxable years ending after 1954. The amendment made by subsection (d) shall apply with respect to taxable years ending after 1955. The amendment made by subsection (h) shall apply with respect to the same taxable years with respect to which the amendment made by section 201 (g) of this Act applies.

"(2) (A) Except as provided in subparagraphs (B) and (C), the amendments made by subsection (b) shall apply only with respect to service performed after June 30, 1957, and only if—

"(i) in the case of the amendment made by paragraph (1) of such subsection, the conditions prescribed in subparagraph (B) are met; and

"(ii) in the case of the amendment made by paragraph (2) of such subsection, the conditions prescribed in subparagraph (C) are met.

"(B) The amendment made by paragraph (1) of subsection (b) shall be effective only if—

"(i) the Federal Home Loan Bank Board submits to the Secretary of Health, Education, and Welfare, and the Secretary approves, before July 1, 1957, a plan, with respect to employees of Federal Home Loan Banks, for the coordination, on an equitable basis, of the benefits provided by the retirement system applicable to such employees with ths benefits provided by title II of the Social Security Act; and

"(ii) such plan specifies, as the effective date of the plan, July 1, 1957, or the first day of a prior calendar quarter beginning not earlier than January 1, 1956."

If the plan specifies as the effective date of the plan a day before July 1, 1957, the amendment made by paragraph (1) of subsection (b) shall apply with respect to service performed on or after such effective date; except that, if such effective date is prior to the day on which the Secretary approves the plan, such amendment shall not apply with respect to service performed, prior to the day on which the Secretary approves ths plan, by an individual who is not an employee of a Federal Home Loan Bank on such day.

"(C) The amendment made by paragraph (2) of subsection (b) shall be effective only if—

"(i) the Board of Directors of the Tennessee Valley Authority submits to the Secretary of Health, Education, and Welfare, and the Secretary approves, before July 1, 1957, a plan, with respect to employees of the Tennessee Valley Authority, for the coordination, on an equitable basis, of the benefits provided by the retirement system applicable to such employees with the benefits provided by title II of the Social Security Act; and

"(ii) such plan specifies, as the effective date of the plan, July 1, 1957, or the first day of a prior calendar quarter beginning not earlier than January 1, 1956.

If the plan specifies as the effective date of the plan a day before July 1, 1957, the amendment made by paragraph (2) of subsection (b) shall apply with respect to service performed on or after such effective date; except that, if such effective date is prior to the day on which the Secretary approves the plan, such amendment shall not apply with respect to service performed, prior to the day on which the Secretary approves the plan, by an individual who is not an employee of the Tennessee Valley Authority on such day.

"(D) The Secretary of Health, Education, and Welfare shall, on or before July 31, 1957, submit a report to the Congress setting forth the details of any plan approved by him under subparagraph (B) or (C)."

And the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with amendments as follows:

On page 49, line 13, of the Senate engrossed amendments, strike out "$200" and insert "$150".

On page 49, line 15, of the Senate engrossed amendments, strike out "thirty" and insert "twenty".

And the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with amendments as follows:

On page 51, line 8, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800".

On page 51, lines 10 and 11, of the Senate engrossed amendments strike out "be deemed to be the gross income dsrived by him from such trade or business; or" and insert "be deemed to be 66⅔ percent of such gross income; or".

On page 51, line 14, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800".

On page 51, line 25, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800".

On page 52 of the Senate engrossed amendments, strike out lines 4, 5, and 6 and insert: "equal to 66⅔ percent of his distributive share of such gross income (after such gross income has been so reduced); or".

On page 52, line 12, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800.".

On page 53, line 2, of the Senate engrossed amendments, strike out "(7)" and insert "(6)".

On page 53, line 8, of the Senate engrossed amendments, strike out "(7)" and insert "(6)."

On page 53, line 16, of the Senate engrossed amendments, strike out "after 1956" and insert "on or after December 31, 1956."

And the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: On page 59, line 19, of the Senate engrossed amendments, strike out "September" and insert "November"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: On page 60, after line 2 of the Senate engrossed amendments, insert: "Extension of Period for Filing Proof of Support and Applications for Lump-Sum Death Payment"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SUSPENSION OF BENEFITS OF ALIENS WHO ARE OUTSIDE THE UNITED STATES

"SEC. 118. (a) Section 202 of the Social Security Act is amended by adding after subsection (s) (added by section 102 of this Act) the following new subsection:

"'Suspension of Benefits of Aliens Who Are Outside the United States

"'(t) (1) Notwithstanding any other provision of this title, no monthly benefits shall be paid under this section or under section 223 to any individual who is not a citizen or national of the United States for any month which is—

"'(A) after the sixth consecutive calendar month during all of which the Secretary finds, on the basis of information furnished to him by the Attorney General or information which otherwise comes to his attention, that such individual is outside the United States, and

"'(B) prior to the first month thereafter for all of which such individual has been in the United States.

"'(2) Paragraph (1) shall not apply to any individual who is a citizen of a foreign country which the Secretary finds has in effect a social insurance or pension system which is of general application in such country and under which—

"'(A) periodic benefits, or the actuarial equivalent thereof, are paid on account of old age, retirement, or death, and

"'(B) individuals who are citizens of the United States but not citizens of such foreign country and who qualify for such benefits are permittsd to receive such benefits or the actuarial equivalent thereof while outside such foreign country without regard to the duration of the absence.

"'(3) Paragraph (1) shall not apply in any case where its application would be contrary to any treaty obligation of the United States in effect on the date of the enactment of this subsection.

"'(4) Paragraph (1) shall not apply to any benefit for any month if—

"'(A) not less than forty of the quarters elapsing before such month are quarters of coverage for the individual on whose wages and self-employment income such benefit is based, or

"'(B) the individual on whose wages and self-employment income such benefit is based has, before such month, resided in the United States for a period or periods aggregating ten years or more, or

"'(C) the individual entitled to such benefit is outside the United States while in the active military or naval ssrvice of the United States.

"'(5) No person who is, or upon application would be, entitled to a monthly benefit under this section for December 1956 shall be deprived, by reason of paragraph (1) of such benefit or any other benefit based on the wages and self-employment income of the individual on whose wages and self-employment income such monthly benefit for December 1956 is based.

"'(6) If an individual is outside the United States when he dies and no benefit may, by reason of paragraph (1) be paid to him for the month preceding the month in which he dies, no lump-sum death payment may be made on the basis of such individual's wages and self-employment income.

"'(7) Subsections (b) and (c) of section 203 shall not apply with respect to any individual for any month for which no monthly benefit may be paid to him by reason of paragraph (1) of this subsection.

"'(8) The Attorney General shall certify to the Secretary such information regarding aliens who depart from the United States to any foreign country (other than a foreign country which is territorially contiguous to the continental United States) as may be necessary to enable the Secretary to carry out the purposes of this subsection and shall otherwise aid, assist, and cooperate with the Secretary in obtaining such other information as may be necessary to enable the Secretary to carry out the purposes of this subsection.'

"(b) The amendment made by subsection (a) shall apply in the case of monthly benefits under title II of the Social Security Act for months after December 1956 and in the case of lump-sum death payments under section 202 (i) of such Act with respect to deaths occurring after December 1956."

And the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with amendments as follows:

On page 66, line 12, of the Senate engrossed amendments, strike out "subparagraph (i)," and insert "subdivision (i) of this subparagraph,".

On page 67, lines 8 and 14 of the Senate engrossed amendments, strike out "subparagraph (i)" each place it appears and insert "subdivision of this subparagraph.

On page 67, line 15, of the Senate engrossed amendments, strike out "in" and insert "under."

And the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"EFFECT ON BENEFITS OF CONVICTION OF ESPIONAGE, SABOTAGE, TREASON, SEDITION, OR SUBVERSIVE ACTIVITIES; EMPLOYMENT BY COMMUNIST ORGANIZATIONS

"SEC. 121. (a) Section 202 of the Social Security Act is amended by adding after subsection (t) (added by section 118 of this Act) the following new subsection:

"'Conviction of Subversive Activities, Etc.

"'(u) (1) If any individual is convicted of any offense (committed after the date of the enactment of this subsection) under—

"'(A) chapter 37 (relating to espionage and censorship), chapter 105 (relating to sabotage), or chapter 115 (relating to treason, sedition, and subversive activities) of title 18 of the United States Code, or

"'(B) section 4, 112, or 113 of the Internal Security Act of 1950, as amended,

then the court may, in addition to all other penalties provided by law, impose a penalty that in determining whether any monthly insurance benefit under this section or section 223 is payable to such individual for the month in which he is convicted or for any month thereafter, and in determining the amount of any such benefit payable to such individual for any such month, there shall not be taken into account—

"'(C) any wages paid to such individual or to any other individual in the calendar quarter in which such conviction occurs or in any prior calendar quarter, and

"'(D) any net earnings from self-employment derived by such individual or by any other individual during a taxable year in which such conviction occurs or during any prior taxable year.

"'(2) As soon as practicable after an additional penalty has, pursuant to paragraph (1), been imposed with respect to any individual, the Attorney General shall notify the Secretary of such imposition.

"'(3) If any individual with respect to whom an additional penalty has been imposed pursuant to paragraph (1) is granted a pardon of the offense by the President of the United States, such additional penalty shall not apply for any month beginning after the date on which such pardon is granted.'

"(b) The amendment made by subsection (a) of this section shall not be construed to restrict or otherwise affect any of the provisions of the Act entitled 'An Act to prohibit payments of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes', approved September 1, 1954 (Public Law 769, Eighty-third Congress).

"(c) Section 210 (a) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"'(17) Service in the employ of any organization which is performed (A) in any quarter during any part of which such organization is registered, or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, under the Internal Security Act of 1950, as amended, as a Communist-action organization, a Communist-front organization, or a Communist-infiltrated organization, and (B) after June 30, 1956.'

"(d) Section 3121 (b) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new paragraph:

"'(17) service in the employ of any organization which is performed (A) in any quarter during any part of which such organization is registered, or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, under the Internal Security Act of 1950, as amended, as a Communist-action organization, a Communist-front organization, or a Communist-infiltrated organization, and (B) after June 30, 1956.'"

And the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: On page 28 of the House engrossed bill, restore line 19 and all that follows over to and including line 4 on page 29; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows: On page 72, line 15, of the Senate engrossed amendments, strike out "(b)" the first place it appears and insert "(c)"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreeement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment, and on page 29, lines 23 and 24, of the House engrossed bill, strike out "of 1930 (46 Stat. 470; 5 U. S. C. 693)"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment, restore the matter proposed to be stricken out by the Senate amendment, and—

(1) on page 30, line 7, of the House engrossed bill, strike out "; or'" and insert "a semicolon".

(2) on page 30, line 22, of the House engrossed bill, strike out "produced.'" and insert "produced; or'".

And the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "doctor of medicine or"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with amendments as follows:

On page 73, line 14, of the Senate engrossed amendments, strike out "(e)" and insert "(g)".

On page 74, line 2, of the Senate engrossed amendments, insert a comma after "United States" and before the quotation marks.

And the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with amendments as follows:

On page 74, line 5, of the Senate engrossed amendments, strike out "(f)" and insert "(h)".

On page 74, line 12, of the Senate engrossed amendments, strike out "$200" and insert "$150".

On page 74, line 13, of the Senate engrossed amendments, strike out "30" and insert "20".

On page 75, line 11, of the Senate engrossed amendments, strike out "$200" and insert "$150".

On page 75 line 12, of the Senate engrossed amendments, strike out "30" and insert "20".

And the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with amendments as follows:

On page 75, line 18, of the Senate engrossed amendments, strike out "(g)" and insert "(i)."

On page 76, line 3, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800."

On page 76, lines 5 and 6, of the Senate engrossed amendments, strike out "be deemed to be the gross income derived by him from such trade or business; or" and insert "be deemed to be 66⅔ percent of such gross income; or."

On page 76, line 9, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800."

On page 76, line 21, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800."

On page 76 of the Senate engrossed amendments, strike out line 24, and on page 77 of the Senate engrossed amendments, strike out lines 1 and 2, and insert "to 66⅔ percent of his distributive share of such gross income (after such gross income has been so reduced)"; or

On page 77, line 8, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800."

And the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: On page 78, line 14, of the Senate engrossed amendments, strike out "(h)" and insert "(j)"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following "(k)"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(l)"; and the Senate agree to the same.

Amendment numbered 65: That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with amendments as follows:

On page 79 of the Senate engrossed amendments, strike out lines 1 through 17, and insert:

"(m) (1) The amendments made by subsection (a) and paragraph (1) of subsection (h) shall apply with respect to remuneration paid after 1956. The amendment made by subsection (b) shall apply with respect to remuneration paid after October 1956. The amendments made by subsection (c) and paragraph (2) of subsection (h) shall apply with respect to service performed after 1956. The amendments made by paragraphs (1) and (2) of subsection (d) shall apply with respect to service with respect to which the amendments made by paragraphs (1) and (2) of subsection (b) of section 104 of this Act apply. The amendments made by paragraph (1) of subsection (e) shall apply with respect to service performed after 1954. The amendment made by paragraph (3) of such subsection shall apply with respect to taxable years ending after 1954. The amendments made by paragraph (2) of subsection (e) and by subsection (f) shall apply with respect to taxable years ending after 1955. The amendment made by subsection (i) shall apply with respect to taxable years ending on or after December 31, 1956. The amendment made by subsection (l) shall apply with respect to certificates filed after 1956 under section 3121 (k) of the Internal Revenue Code of 1954."

On page 79, line 19, of the Senate engrossed amendments, strike out "(e)" and insert "(g)."

On page 79, line 23, of the Senate engrossed amendments, strike out "(e)" and insert "(g)."

On page 80, line 5, of the Senate engrossed amendments, strike out "(e)" and insert "(g)."

On page 81, line 16, of the Senate engrossed amendments, strike out "(e)" and insert "(g)."

On page 82 of the Senate engrossed amendments, strike out lines 9 through 20, and insert:

"(3) Any tax under chapter 2 of the Internal Revenue Code of 1954 which is due, solely by reason of the enactment of subsection (f), or paragraph (2) of subsection (e), of this section, for any taxable year ending on or before the date of the enactment of this act shall be considered timely paid if payment is made in full on or before the last day of the sixth calendar month following the month in which this Act is enacted. In no event shall interest be imposed on the amount of any tax due under such chapter solely by reason of the enactment of subsection (f), or paragraph (2) of subsection (e), of this section for any period before the day after the date of enactment of this Act.

"(4) Any tax due under chapter 21 of the Internal Revenue Code of 1954, which is due, solely by reason of the enactment of subsection (d) and an effective date prescribed pursuant to paragraph (2) (B) or (2) (C) of section 104 (i), for any calendar quarter beginning prior to the day on which the Secretary of Health, Education, and Welfare approves the plan which prescribes such effective date shall be considered timely paid if payment is made in full on or before the last day of the sixth calendar month following the month in which such plan is approved. In no event shall interest be imposed on the amount of any such tax due under such chapter for any period before the day on which the Secretary of Health, Education, and Welfare approves such plan."

And the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of subsection (c) in the matter proposed to be inserted by the Senate amendment (beginning on page 87, line 18, of the Senate engrossed amendments) insert the following:

"(c) Section 3 (a) of such Act is further amended by inserting the following new clause immediately before the period at the end thereof: ', and (4) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as old-age assistance under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof), not counting so much of such expenditure for any money as exceeds the product of $6 multiplied by the total number of individuals who received old-age assistance under the State plan for such month'."

And the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows: In lieu of subsection (c) in the matter proposed to be inserted by the Senate amendment (beginning on page 89, line 9, of the Senate engrossed amendments) insert the following:

"(c) Section 403 (a) of such Act is further amended by inserting the following new clause immediately before the period at the end thereof: '; and (4) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as aid to dependent children under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof) not counting so much of such expenditure for any month as exceeds (A) the product of $3 multiplied by the total number of dependent children who received aid to dependent children under the State plan for such month plus (B) the product of $6 multiplied by the total number of other individuals who received aid to dependent children under the State plan for such month'."

And the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows: In lieu of subsection (c) in the matter proposed to be inserted by the Senate amendment (beginning on page 91, line 1, of the Senate engrossed amendments) insert the following:

"(c) Section 1003 (a) of such Act is further amended by inserting the following new clause immediately before the period at the end thereof: '; and (4) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as aid to the blind under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof), not counting so much of such expenditure for any month as exceeds the product of $6 multiplied by the total number of individuals who received aid to the blind under the State plan for such month'."

And the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment as follows: In lieu of subsection (c) in the matter proposed to be inserted by the Senate amendment (beginning on page 92, line 16, of the Senate engrossed amendments) insert the following:

"(c) Section 1403 (a) of such Act is further amended by inserting the following new clause immediately before the period at the end thereof: '; and (4) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as aid to the permanently and totally disabled under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof), not counting so much of such expenditure for any month as exceeds the product of $6 multiplied by the total number of individuals who received aid to the permanently and totally disabled under the State plan for such month'."

And the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Part II—Services in Programs of Old-Age Assistance, Aid to Dependent Children, Aid to the Blind, and Aid to the Permanently and Totally Disabled

"old-age assistance

"Sec. 311. (a) The first sentence of section 1 of the Social Security Act is amended to read: 'For the purpose of enabling each State to furnish financial assistance, as far as practicable under the conditions in such State, to aged needy individuals and of encouraging each State, as far as practicable under such conditions, to help such individuals attain self-care, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this title.'

"(b) Subsection (a) of section 2 of such Act is amended by striking out 'and' before clause (10) thereof, and by striking out the period at the end of such subsection and inserting in lieu thereof a semicolon and the following new clause: 'and (11) provide a description of the services (if any) which the State agency makes available to applicants for and recipients of old-age assistance to help them attain self-care'.

"(c) (1) Clauses (1) and (2) of section 3 (a) of such Act are each amended by striking out ', which shall be used exclusively as old-age assistance,'.

"(2) Clause (3) of such section 3 (a) is amended by striking out 'which amount shall be used for paying the costs of administering the State plan or for old-age assistance, or both, and for no other purpose' and inserting in lieu thereof 'including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of old-age assistance to help them attain self-care'."

And the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In the second line of the matter proposed to be inserted by the Senate amendment strike out "Sec. 311" and insert "Sec. 312"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: In the second line of the matter proposed to be inserted by the Senate amendment strike out "Sec. 312" and insert "Sec. 313"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows: In the second line of the matter proposed to be inserted by the Senate amendment strike out "Sec. 313" and insert "Sec. 314"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment as follows: In the third line of the matter proposed to be inserted by the Senate amendment strike out "and 313 (a)" and insert "313 (b), and 314 (b)"; and the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with amendments as follows:

On page 101, line 17, of the Senate engrossed amendments, strike out "each succeeding fiscal year" and insert "each of the 4 succeeding fiscal years".

On page 102, lines 2 and 3, strike out "the Federal percentage" and insert "80 percent of the total."

On page 102 of the Senate engrossed amendments, strike out the sentence beginning in line 13.

And the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"Part V—Amendments to Matching Formulas

"amendment to matching formula for old-age assistance

"Sec 341. Section 3 (a) of the Social Security Act is amended to read as follows:

"'(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for old-age assistance, for each quarter, beginning with the quarter commencing October 1, 1956, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as old-age

assistance under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $60—

"'(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $30 multiplied by the total number of such individuals who received old-age assistance for such month; plus

"'(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A);

and (2) in the case of Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as old-age assistance, equal to one-half of the total of the sums expended during such quarter as old-age assistance under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30, and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of old-age assistance to help them attain self-care.'

"AMENDMENT TO MATCHING FORMULA FOR AID TO DEPENDENT CHILDREN

"SEC. 342. Section 403 (a) of the Social Security Act is amended to read as follows:

"'(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to dependent children, for each quarter, beginning with the quarter commencing October 1, 1956, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as aid to dependent children under the State plan, not counting so much of such expenditure with respect to any dependent child for any month as exceeds $32, or if there is more than one dependent child in the same home, as exceeds $32 with respect to one such dependent child and $23 with respect to each of the other dependent children, and not counting so much of such expenditure for any month with respect to a relative with whom any dependent child is living as exceeds $32—

"'(A) fourteen-seventeenths of such expenditures, not counting so much of the expenditures with respect to any month as exceeds the product of $17 multiplied by the total number of dependent children and other individuals with respect to whom aid to dependent children is paid for such month; plus

"'(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A); and (2) in the case of Puerto Rico and the Virgin Islands, an amount equal to one-half of the total of the sums expended during such quarter as aid to dependent children under the State plan, not counting so much of such expenditure with respect to any dependent child for any month as exceeds $18, or if there is more than one dependent child in the same home, as exceeds $18 with respect to one such dependent child and $12 with respect to each of the other dependent children, and not counting so much of such expenditure for any month with respect to a relative with whom any dependent child is living as exceeds $18; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to relatives with whom such children (applying for or receiving such aid) are living, in order to help such relatives attain self-support or self-care, or which are provided to maintain and strengthen family life for such children.'"

And the Senate agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"AMENDMENT TO MATCHING FORMULA FOR AID TO THE BLIND

"SEC. 343. Section 1003 (a) of the Social Security Act is amended to read as follows:

"'(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the blind for each quarter, beginning with the quarter commencing October 1, 1956, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the blind under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $60—

"'(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $30 multiplied by the total number of such individuals who received aid to the blind for such month; plus

"'(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under Clause (A)!

and (2) in the case of Puerto Rico and the Virgin Islands, an amount equal to one-half of the total of the sums expended during such quarter as aid to the blind under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of aid to the blind to help them attain self-support or self-care.'"

And the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"AMENDMENT TO MATCHING FORMULA FOR AID TO THE PERMANENTLY AND TOTALLY DISABLED

"SEC. 344. Section 1403 (a) of the Social Security Act is amended to read as follows:

"'(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the permanently and totally disabled, for each quarter, beginning with the quarter commencing October 1, 1956, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the permanently and totally disabled under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $60—

"'(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $30 multiplied by the total number of such individuals who received aid to the permanently and totally disabled for such month; plus

"'(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A);

and (2) in the case of Puerto Rico and the Virgin Islands, an amount equal to one-half of the total of the sums expended during such quarter as aid to the permanently and totally disabled under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of such aid to help them attain self-support or self-care.'"

And the Senate agree to the same.

Amendment numbered 93: That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"EFFECTIVE DATE

"SEC. 345. The amendments made by this part shall be effective for the period beginning October 1, 1956, and ending with the close of June 30, 1959, and after such amendments cease to be in effect any provision of law amended thereby shall be in full force and effect as though this part had not been enacted."

And the Senate agree to the same.

Amendment numbered 95: That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"AID TO DEPENDENT CHILDREN IN PUERTO RICO AND THE VIRGIN ISLANDS

"SEC. 351. (a) Clause (2) of subsection (a) of section 403 of the Social Security Act is amended by inserting immediately before the semicolon the following: ', and not counting so much of such expenditure for any month with respect to a relative with whom any dependent child is living as exceeds $18'.

"(b) Subsection (b) of section 406 of such Act is amended by striking out '(except when used in clause (2) of section 403 (a))'.

"(c) Section 1108 of such Act is amended by striking out '$4,250,000' and inserting in lieu thereof '$5,312,500', and by striking out '$160,000' and inserting in lieu thereof '$200,000'.

"(d) The amendments made by this section shall be effective with respect to the fiscal year ending June 30, 1957, and all succeeding fiscal years."

And the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with amendments as follows:

On page 123, line 13, of the Senate engrossed amendments, strike out "1957" and insert "1958."

On page 123, line 17, of the Senate engrossed amendments, strike out "1956" and insert "1957."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same with an amendment as follows:

Amend the title so as to read: "An Act to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age fifty, to reduce to age sixty-two the age on the basis of which benefits are payable to certain women, to provide for child's insurance benefits for children who are disabled before attaining age eighteen, to extend coverage, and for other purposes."

And the Senate agree to the same.

JERE COOPER,
WILBUR D. MILLS,
NOBLE J. GREGORY,
DANIEL A. REED,
THOMAS A. JENKINS,
Managers on the Part of the House.

HARRY FLOOD BYRD,
WALTER F. GEORGE,
ROBERT S. KERR,
J. ALLEN FREAR, Jr.,
EUGENE D. MILLIKIN,
EDWARD MARTIN,
JOHN J. WILLIAMS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The following Senate amendments made technical, clerical, clarifying, or conforming changes: 1, 3, 4, 5, 6, 7, 8, 16, 18, 28, 36, 37, 38, 39, 40, 43, 44, 45, 49, 50, 54, 56, 62, and 64. With respect to these amendments (1) the House either recedes or recedes with amendments which are technical, clerical, clarifying, or conforming in nature, or (2) the Senate recedes in order to conform to other action agreed upon by the committee of conference.

Amendment No. 2: Section 101 (a) of the House bill amended section 202 (d) (1) of the Social Security Act so as to provide for payment of child's insurance benefits to disabled children aged 18 or over who are receiving (or are eligible to receive) such benefits before attainment of age 18. The Senate amendment provided for payment of such benefits to such disabled children even if they were not receiving (and not eligible to receive) such benefits prior to attaining such age. In the case of both the House bill and the Senate amendment, however, the disability must have begun before attainment of age 18. The House recedes.

Amendment No. 9: Section 101 (f) of the House bill provided the effective date for the provisions on child's insurance benefits for disabled children. Generally, these provisions would be effective January 1, 1956, in the case of children who attained age 18 after 1953. The provisions of the Senate amendment on this subject would be effective generally September 1, 1956.

The House recedes with an amendment making the provisions on child's insurance benefits for disabled children, as contained in the Senate amendment, effective generally January 1, 1957.

Amendment No. 10: Section 102 (a) of the House bill reduced the age at which women could qualify under the old-age and survivors insurance system for old-age insurance benefits, or for benefits as the wife, widow, or dependent mother of an insured worker, from 65 to 62. These provisions were generally effective after December 1955 (and lump-sum death payments in case of deaths after 1955).

The Senate amendment provided for the same reduction in the qualifying age. However, in the case of benefits payable to a woman as the wife of an insured worker (without having in her care a child of the worker entitled to child's benefits) and in the case of old-age insurance benefits payable to her, the benefits were to be reduced in order to take account of the earlier entitlement to the benefits. The reduction would be equal to 20 percent of the benefit which would be payable at age 65 in the case of old-age insurance benefits for which the woman qualifies at age 62 (with a proportionately lower reduction for each month after 62 that she delays in qualifying). In the case of wife's insurance benefits, the reduction for a woman qualifying for the full period between age 62 and 65 would be 25 percent of the benefit which would be payable at age 65.

The Senate amendment would generally be effective beginning September 1, 1956, in the case of widow's and parent's benefits and beginning January 1, 1957, in the case of wife's insurance benefits and old-age insurance benefits for women.

The House recedes with an amendment making the provisions effective generally November 1, 1956, and with technical amendments, including a technical amendment designed to simplify the computation of the actuarial reduction and the administration of these provisions in cases where a woman is entitled to both an old-age insurance benefit and a wife's insurance benefit. The effective date provided under the conference agreement would apply for purposes of all four types of benefits for women—old-age, wife's, widow's, and parent's insurance benefits, and (in the case of lump-sum death payments) where the death occurs after October 1956.

The conferees have been advised of the great difficulty which the Department of Health, Education, and Welfare will have not only in beginning benefit payments for the month of November 1956 to the large number of women who will file applications for early retirement benefits after the enactment date, but also in handling the very substantial additional workloads resulting from the disability and other provisions of the 1956 amendments. The conferees urge the Department to take immediate measures to staff up, to train its employees, and to take all other immediate measures to insure that it will do the best possible job in discharging its increased responsibilities under these amendments.

Amendments Nos. 11 and 12: Section 103 of the House bill provided for payment of disability insurance benefits to certain insured disabled individuals who have attained age 50 but have not reached age 65 and whose disability has lasted not less than 6 months. It also provided for reduction of such benefits, and child's insurance benefits for a disabled child age 18 or over, if another Federal benefit or State workmen's compensation benefit is payable by reason of physical or mental impairment. In addition, the House bill provided for suspension of these benefits based on disability pending determination of whether the disability has, in fact, ceased in cases where the Secretary believes the beneficiary is no longer disabled, and for withholding of such benefits for refusal, without good cause, to accept rehabilitation services available under an approved Federal-State program.

The Senate amendment contained the same provisions except for (1) technical or clarifying changes; (2) the addition of a provision exempting an individual from loss of benefits for months for which he refuses to accept rehabilitation services where the refusal relates to surgery or medical services or where the refusal is based on adherence to the teachings of a church or sect that teaches its members to rely solely on spiritual means for curing impairments; and (3) the addition of a provision establishing a separate Federal disability insurance trust fund composed of amounts equal to one-half of 1 percent of wages and three-eighths of 1 percent of self-employment income.

In the case of the House bill the new disability insurance benefits would first be payable for months after December 1956. In the case of the Senate amendment they would first be payable for months after June 1957.

The House recedes with an amendment under which refusal to undergo surgery or medical services would not exempt an individual from loss of benefits unless such refusal is based on adherence to the teachings of a church or sect which teaches its members to rely solely on spiritual means for curing impairments. The amendment also makes technical and conforming changes.

In providing in the conference agreement that determinations of disability for cash disability benefits be made by State agencies under the same arrangements as are now utilized in making determinations for the disability freeze, it is understood and expected that the Secretary of Health, Education, and Welfare will fully utilize his authority to review and revise determinations of State agencies in order to assure uniform administration of the disability benefits and to protect the Federal Disability Insurance Trust Fund from unwarranted costs.

Amendment No. 13: Section 104 (a) of the House bill amended section 210 (a) (1) of the Social Security Act so as to provide coverage under the old-age and survivors insurance system, on the same basis as other agricultural labor, for service performed in connection with the production and harvesting of gum-resin products. The Senate amendment deleted this provision of the House bill, thereby continuing in effect the present exclusion from coverage of such service. The House recedes.

Amendment No. 14: This amendment added to the House bill a new section 104 (b), which would amend section 210 (a) (1) (B) of the Social Security Act so as to exclude from coverage under the old-age and survivors insurance system service performed by foreign agricultural workers lawfully admitted to the United States from any foreign country (or possession thereof) on a temporary basis to perform agricultural labor. Section 210 (a) (1) (B) presently excludes from coverage such service performed by workers so admitted from the Bahamas, Jamaica, and the other British West Indies. The House recedes.

Amendment No. 15: Section 104 (b) of the House bill amended section 210 (a) (6) of the Social Security Act so as to provide coverage under the old-age and survivors insurance system for service performed in the employ of a Federal home loan bank (and subject to its retirement system) and for service performed in the employ of the Tennessee Valley Authority (and subject to its retirement system). The Senate amendment deleted this provision of the House bill, thereby continuing in effect the present exclusion from coverage of such service. Under the conference agreement the provisions of the House bill providing coverage for such service performed by employees of the Tennessee Valley Authority, and by employees of Federal home loan banks, are retained. As explained in connection with the explanation of amendment No. 15, the extension of coverage in the case of Federal home loan banks will become effective only if the conditions specified in subparagraph (B) of section 104 (i) (2) of the bill as agreed to in conference are met, and the extension of coverage in the case of the Tennessee Valley Authority will become effective only if the

conditions specified in subparagraph (C) of such section 104 (i) (2) are met.

Amendment No. 17: Section 104 (c) (2) of the House bill amended section 211 (a) (1) of the Social Security Act so as to provide that income derived from a share-farming arrangement by the owner or tenant of land may be included in computing his net earnings from self-employment if the arrangement provides for his material participation in the production (by the other party to the arrangement) of agricultural or horticultural commodities and such participation in fact exists. The Senate amendment added language to make it clear that the income so derived by the owner or tenant of land may be included in his net earnings from self-employment where he participates materially in the "management of the production" of such commodities. The House recedes.

Amendment No. 19: Section 104 (d) of the House bill amended section 211 (c) (5) of the Social Security Act so as to provide coverage under the old-age and survivors insurance system for self-employment lawyers, dentists, osteopaths, veterinarians, chiropractors, naturopaths, and optometrists. Under the House bill, of the professional self-employed individuals presently enumerated in section 211 (c) (5), only physicians and Christian Science practitioners would continue to be excluded from such coverage. The Senate amendment provides for the exclusion of the performance of service by an individual in the exercise of his profession as a doctor of medicine, doctor of osteopathy, or Christian Science practitioner (or the performance of such service by a partnership). The House recedes with an amendment extending coverage to the performance of service by an individual in the exercise of his profession as a doctor of osteopathy (or the performance of such service by a partnership).

Amendment No. 20: This amendment added to section 104 of the House bill a new subsection (d), which would amend section 218 (d) (6) of the Social Security Act to allow certain States (Florida, Georgia, Indiana, New York, North Dakota, Pennsylvania, Tennessee, Washington, Wisconsin, and Hawaii), and the political subdivisions of such States, under certain conditions to divide their retirement systems into two divisions or parts, one consisting of the positions of members who desire old-age and survivors insurance coverage and the other consisting of the positions of members who do not, with each such division or part being treated as a separate retirement system. The provision added by this amendment would also allow employees of certain States (Florida, Georgia, Minnesota, North Dakota, Pennsylvania, Washington, and Hawaii) who are covered by a retirement system, and who are compensated in whole or in part from Federal grants for unemployment compensation administration under title III of the Social Security Act, to have their positions (or all other positions in the department in which they are employed, or all positions in such department) treated as a separate retirement system for purposes of old-age and survivors insurance coverage. The House recedes with a clerical amendment and with an amendment deleting Indiana from the scope of the amendment.

Amendment No. 21: This amendment added to section 104 of the House bill a new subsection (e), which would permit certain States (Florida, Nevada, New Mexico, Minnesota, Oklahoma, Pennsylvania, Texas, Washington, and Hawaii) to modify their State agreements under section 218 of the Social Security Act at any time prior to July 1, 1957, without regard to certain requirements contained in section 218 (d) of that act so as to provide old-age and survivors insurance coverage under such agreements for school district employees who are not required to hold teachers' or administrators' certificates. The House recedes with a clerical amendment.

Amendment No. 22: This amendment added to section 104 of the House bill a new subsection (f), which would amend section 218 of the Social Security Act so as to permit certain States (Florida, North Carolina, Oregon, South Carolina, and South Dakota) to modify their State agreements to provide old-age and survivors insurance coverage under such agreements for employees in any policeman's or fireman's position covered by a retirement system, notwithstanding the provisions of such section 218 which preclude old-age and survivors insurance coverage of employees in any such position. If the retirement system covers positions of policemen or firemen (or both) and other positions as well, the policemen or firemen (or both) may be treated as having a separate retirement system for these purposes. The House recedes with clerical amendments.

Amendment No. 23: This amendment added to section 104 of the House bill a new subsection (g), which would amend section 211 (a) (7) (B) of the Social Security Act so as to permit inclusion, in the computation of net earnings from self-employment for purposes of old-age and survivors insurance, of certain remuneration received by any minister in a foreign country who is a United States citizen and whose congregation is composed predominantly of United States citizens. The House recedes with clerical amendments.

Amendments Nos. 24 and 25: Section 104 (e) of the House bill contained the effective dates applicable to the provisions of the House bill which extended coverage under the old-age and survivors insurance system. Senate amendment No. 24 deleted section 104 (e) of the House bill, and Senate amendment No. 25 inserted a new subsection containing the effective dates applicable to the coverage provisions in the bill as it passed the Senate.

The House recedes with an amendment. In view of the period of time which has elapsed since the passage of the bill in the House, the conference agreement retains the effective dates contained in the Senate amendment. In the case of coverage provided by section 104 (b) of the House bill which was restored by the conference action on amendment No. 15, the conference agreement provides that the amendment made by paragraph (1) of such section 104 (b) (relating to coverage of employees of Federal home loan banks) shall become effective only if the Federal Home Loan Bank Board submits to the Secretary of Health, Education, and Welfare, and the Secretary approves, before July 1, 1957, a plan for the coordination, on an equitable basis, of the benefits provided by the retirement system applicable to employees of Federal home loan banks with the benefits provided by title II of the Social Security Act, and such plan prescribes as the effective date thereof July 1, 1957, or the first day of a prior calendar quarter beginning not earlier than January 1, 1956. If the plan specifies July 1, 1957, as its effective date, the conference agreement provides that the amendment made by such paragraph (1) shall apply with respect to service performed on or after July 1, 1957. If the plan specifies as its effective date a day prior to July 1, 1957, the conference agreement provides that the amendment made by such paragraph (1) shall apply with respect to service performed on or after such day.

The conference agreement contains a similar requirement with respect to the amendment made by paragraph (2) of section 104 (b), relating to coverage of employees of the Tennessee Valley Authority. The plan with respect to such employees must be submitted by the Board of Directors of the Tennessee Valley Authority. Otherwise, the conditions and provisions described above with respect to the amendment made by paragraph (1) of section 104 (b) also apply with respect to the amendment made by paragraph (2) of section 104 (b).

The conference agreement requires that, on or before July 31, 1957, the Secretary of Health, Education, and Welfare shall submit a report to the Congress setting forth the details of any plan, described above, approved by him.

Amendment No. 26: This amendment added to the House bill a new section 105. Subsection (a) of the new section 105 would amend section 209 (h) (2) of the Social Security Act to provide that cash remuneration paid by any one employer in any calendar year (after 1956) to an employee for agricultural labor will constitute "wages" for old-age and survivors insurance purposes if such remuneration is $200 or more (regardless of the basis on which paid) or if such employee performs agricultural labor for that employer (for cash remuneration computed on a time basis) on 30 days or more during the year. Under present law, such remuneration only constitutes "wages" for old-age and survivors insurance purposes if it is $100 or more during the year.

Subsection (b) of the new section 105 would amend section 210 of the Social Security Act (with respect to service performed after 1956) so as to provide that where a crew leader furnishes individuals to perform agricultural labor for another person such individuals would be deemed to be employees of the crew leader for old-age and survivors insurance purposes, and the crew leader would be deemed not to be an employee of such other person. The term "crew leader" is defined as an individual who furnishes workers to perform agricultural labor for another person, if he pays their wages (either on his own behalf or on behalf of such person) and has not entered into a written agreement designating him an employee of such person.

Subsection (c) of the new section 105 would amend section 213 (a) (2) (B) (iv) of the Social Security Act so that an individual receiving $100 or more but less than $200 as wages for agricultural labor during a year will receive (as under existing law) one quarter of coverage.

The House recedes with amendments changing the $200 figure in the amended section 209 (h) (2) of the Social Security Act to $150 and changing the 30-day provision to 20 days.

Amendment No. 27: This amendment added to the House bill a new section 106, which would amend section 211 (a) of the Social Security Act (effective with respect to taxable years ending after 1956) so as to change the optional method for the computation of farm self-employment income.

Under existing law, a self-employed farmer who computes his income on a cash receipts and disbursements basis may deem 50 percent of his gross income from farming to be his net earnings from self-employment attributable to farming, if such gross income is $1,800 or less; and he may deem $900 to be his net earnings from self-employment attributable to farming if his gross income from farming is more than $1,800 and such net earnings as otherwise computed are less than $900.

Under the new section 106, the optional method of computing net earnings from farm self-employment would be extended to self-employed farmers who report income under an accrual method, and to members of farm partnerships. In addition, such optional method of computing net earnings would be changed so that a farmer whose gross income from farming is $1,200 or less may deem such gross income to be his net earnings from self-employment from farming, and a farmer whose gross income from farming is more than $1,200 may deem $1,200 to be his net earnings from farm self-employment if such net earnings as otherwise computed are less than $1,200. This optional method of com-

puting net earnings from farm self-employment would be extended on the same basis to a member of a farm partnership with respect to his distributive share of the gross income of the partnership.

The House recedes with amendments. Under the conference agreement, if the gross income derived by a self-employed farmer from his farming operations is not more than $1,800, he may, at his option, deem his net earnings from self-employment derived from such farming operations to be 66⅔ percent of such gross income. If the gross income derived by a self-employed farmer from his farming operations is more than $1,800 and the net earnings from self-employment derived by him from such farming operations are less than $1,200, he may, at his option, deem his net earnings from self-employment from such farming operations to be $1,200. The conference agreement provides similar rules with respect to a partner's distributive share of the gross income of a partnership engaged in farming operations.

As under the Senate amendment, the conference agreement provides that, for purposes of applying this provision, the gross income derived by an individual from one or more farming operations and his distributive share of the gross income of one or more farm partnerships shall be aggregated and treated as having been derived from a single trade or business.

As under existing law, payments made to a partner which are guaranteed payments within the meaning of section 707 (c) of the Internal Revenue Code of 1954 will be treated as income from a trade or business separate from the partnership.

The Senate amendment would have applied to taxable years ending after 1956. Under the conference agreement, this amendment will apply to taxable years ending on or after December 31, 1956 (including the calendar year 1956).

Amendment No. 29: This amendment added to the House bill a new section 108, which would amend section 214 (a) (3) of the Social Security Act so as to provide a special fully insured status for an individual with respect to whom all but 4 of the quarters elapsing after 1954 and prior to July 1957 (or, if later, the quarter in which he attains retirement age or dies) are quarters of coverage as defined in section 213 of such act, but with a requirement of a minimum of 6 such quarters of coverage. Section 214 (a) (3) presently provides such special insured status only where all of the quarters elapsing after 1954 and prior to July 1956 (or, if later, the quarter in which the individual attained retirement age or dies) are quarters of coverage, with the same 6-quarter minimum. The House recedes.

Amendment No. 30: This amendment added to the House bill a new section 109, which would amend section 215 (b) (4) of the Social Security Act so as to provide that up to 5 years of low earnings (or no earnings) may be dropped out in the computation of an insured individual's average monthly wage, regardless of the number of such individual's quarters of coverage; under present law only 4 such years may be dropped out unless the individual has 20 or more quarters of coverage. Subsection (b) of the new section 109 sets forth the conditions under which an individual may take advantage of the new 5-year dropout provision, limiting the application of such provision to those who become entitled in the future to old-age insurance benefits or (under specified circumstances) to recomputations of benefits on the basis of earnings after initial entitlement. The House recedes.

Amendment No. 31: This amendment added to the House bill a new section 110, providing that the primary insurance amount of an individual who dies or becomes entitled to old-age insurance benefits in 1957 shall be computed under section 215 (a) (1) (A) of the Social Security Act with a starting date of December 31, 1955, and a closing date of July 1, 1957, if this method of computation would result in a higher primary insurance amount and the individual had not less than 6 quarters of coverage after 1955 and prior to the quarter following his death or entitlement to old-age insurance benefits. In any such computation (using July 1, 1957, as the closing date), the total of the individual's wages and self-employment income after 1956 would be reduced to $2,100 if it exceeded that amount. The House recedes.

Amendment No. 32: This amendment added to the House bill a new provision (sec. 111), amending section 205 (b) of the Social Security Act so as to provide that an applicant for benefits, or any other individual who believes that his or her rights may be prejudiced by a decision of the Secretary, must file his request for a hearing (if he desires to file such a request as permitted under present law) within a period of 6 months from the date on which notice of the Secretary's decision is mailed to him or within such longer period as the Secretary may prescribe. Where notice of any such decision has been mailed to an individual prior to the date of the enactment of the bill, the period within which such individual may file his request would run for at least 6 months after such date. The House recedes.

Amendment No. 33: This amendment added to the House bill a new section 112, which would amend section 203 of the Social Security Act (effective with respect to taxable years ending after 1955) so as to provide that service performed outside the United States as a member of the Armed Forces shall be considered for purposes of the "work clause" as employment within the United States and not as noncovered remunerative activity outside the United States; the remuneration for such service would be included under the regular annual earnings test. Under the present provisions of section 203, a member of the Armed Forces serving overseas is regarded as engaged in "noncovered remunerative activity outside the United States" and as a result is subject under the work clause to the special 7-day test. The House recedes.

Amendment No. 34: This amendment added to the House bill a new section 113, which would amend section 202 (e) of the Social Security Act so as to provide that if a widow remarries and such remarriage is terminated by the second husband's death but she is not his widow for purposes of entitlement to old-age and survivors insurance benefits, such remarriage shall be deemed not to have occurred and she may again become entitled to widow's insurance benefits based on the wages and self-employment income of her first husband. The House recedes with an amendment changing the effective date from, generally, September 1956 to November 1956.

Amendment No. 35: This amendment added to the House bill a new section 114, which would amend section 202 of the Social Security Act to provide that where an individual failed to file proof of support by the insured worker as required for husband's, widower's, or parent's insurance benefits, or to file application for a lump-sum death payment in the case of a death occurring after 1946, within the period prescribed by law, and there was good cause for such failure to file in time (as determined by the Secretary of Health, Education, and Welfare), such proof of support or such application shall be deemed to have been filed within the prescribed period of time if filed within 2 years after the expiration of such period or within 2 years after August 1956, whichever is later. The amendment would apply only to lump-sum death payments, and monthly benefits for months after August 1956, based on applications filed after August 1956. The House recedes with a technical amendment.

Amendment No. 41: The Senate amendment added a new section 117 to the bill, amending section 205 (c) (5) of the Social Security Act (relating to the time limitation for correction of earnings records) to provide that under specified circumstances an individual's earnings record could be corrected, even after the time limitation has run with respect to a given year, to include self-employment income for that year in any case where wages for that year were deleted from the records as having been erroneously reported. The amount of self-employment income to be included could not be in excess of the amount of wages deleted. The correction could be made only to the extent of the individual's self-employment income (or his net earnings from self-employment) not already included in his earnings record as self-employment income which is included in a tax return or statement filed before the expiration of the time limitation following the taxable year in which the deletion of wages is made. The House recedes.

Amendment No. 42: This amendment added to the House bill a new section 118, amending section 202 of the Social Security Act to add a new subsection (t) at the end thereof, providing that no benefits may be paid to certain aliens who are outside the United States.

Paragraph (1) of the new subsection (t) provided that the prohibition against payment shall apply to any individual who is not a citizen or national of the United States for any month after the third consecutive calendar month during all of which the Secretary finds, on the basis of information furnished to him by the Attorney General or which otherwise comes to his attention, that such individual is outside the United States and prior to the first month for all of which he has been in the United States. The prohibition would not apply to individuals who are citizens of a foreign country which the Secretary finds has in effect a social insurance or pension system which is of general application in such country and which pays periodic benefits, or their actuarial equivalent, on account of old age, retirement, or death, if United States citizens who are not citizens of such foreign country and who qualify for such benefits are permitted to receive such periodic benefits or their actuarial equivalent while they are outside of such foreign country for periods of 6 months or longer.

Paragraph (2) of the new subsection (t) provided that a person who is, or on application would be, entitled to a monthly benefit under section 202 for June 1956 would not, because of this provision, be deprived of such benefit or of any other benefit based on the wages and self-employment income of the individual on whose wages and self-employment income such monthly benefit for June 1956 is based.

Paragraph (3) provided that no lump-sum death payment may be made on the basis of the wages and self-employment income of an individual who died while outside the United States and whose benefits were not paid under paragraph (1) for the month preceding the month in which he died.

Paragraph (4) provided that the deductions under subsections (b) and (c) of section 203 of the Social Security Act on account of work or failure to have a child in the beneficiary's care would not be applied for any month with respect to the benefits of any individual if his benefits for such month are not payable by reason of paragraph (1).

Paragraph (5) provided that the Attorney General shall certify to the Secretary such information regarding aliens who depart from the United States to any foreign country (other than a country which is territorially contiguous to the United States) as may be necessary to enable the Secretary to carry out the purposes of this subsection,

and shall otherwise aid, assist, and cooperate with the Secretary in obtaining such other information as may be necessary for this purpose.

The House recedes with an amendment which contains a substitute for the language proposed to be inserted by the Senate amendment. Under section 118 (a) of the conference agreement, a new subsection (t) will be added to section 202 of the Social Security Act.

Paragraph (1) of the new subsection (t) provides that no monthly benefits will be paid under section 202 of the Social Security Act, and no disability benefits will be paid under the new section 223 of that act, to any individual who is not a citizen or national of the United States for any month which is (A) after the sixth consecutive calendar month during all of which the Secretary of Health, Education, and Welfare finds (on the basis of information furnished to him by the Attorney General or information which otherwise comes to his attention) that such individual is outside the United States (as defined in sec. 210 (i) of the Social Security Act), and (B) before the first month during all of which such individual has been in the United States (as so defined).

Paragraph (2) of the new subsection (t) provides that the suspension of benefits described in paragraph (1) will not apply to any individual who is a citizen of a foreign country which the Secretary of Health, Education, and Welfare finds has in effect a social insurance or pension system which is of general application in that foreign country and under which (A) periodic benefits (or the actuarial equivalent thereof) are paid on account of old age, retirement, or death, and (B) individuals who are citizens of the United States but not citizens of such foreign country and who qualify for such benefits are permitted to receive such benefits (or the actuarial equivalent thereof) while outside such foreign country without regard to the duration of such absence. The requirement set forth in subparagraph (B) of the preceding sentence would not be met by an insurance system in any foreign country under which, for example, Americans are precluded from receiving benefits by reason of their absence from that foreign country (regardless of how lengthy the period is before the benefits are cut off). Another example of a situation in which a foreign insurance system might fail to meet the requirements of such subparagraph (B) would be a case where such system has conditions to the receipt of payment which, though not phrased in terms of absence from the country, have the same effect as if such system expressly required presence in the foreign country concerned for the benefits to continue.

Paragraph (3) of the new subsection (t) provides that the suspension of benefits provided in the new paragraph (1) will not apply in any case where its application would be contrary to any treaty obligation of the United States in effect on the date on which this bill becomes law.

Paragraph (4) of the new subsection (t) makes the suspension of benefits inapplicable to benefits for any month (including derivative benefits) if the wage earner on whose record the benefits are based has, before such month, either (A) had 40 quarters or more of coverage, or (B) resided in the United States (as defined in sec. 210 (i) of the Social Security Act) for 1 or more periods aggregating 10 years or more.

In addition, paragraph (4) makes the suspension of benefits inapplicable to an alien who is outside the United States while in the active military or naval service of the United States.

Paragraph (5) of the new subsection (t) provides that no person who is, or upon application would be, entitled to a monthly benefit under section 202 of the Social Security Act for December 1956 shall be deprived, by reason of the provision in paragraph (1) suspending the benefits of aliens, of such benefit or any other benefit based on the wages and self-employment income of the individual on whose wages and self-employment income such monthly benefit for December 1956 was based.

Paragraph (6) of the new subsection (t) provides that if an individual is outside of the United States when he dies, and if no benefit may be paid to him for the month preceding the month in which he dies, no lump-sum death payment may be made on the basis of that individual's wages and self-employment income.

Paragraph (7) of the new subsection (t) provides that subsections (b) and (c) of section 203 of the Social Security Act (relating to deductions on account of work or failure to have a child in care) will not apply with respect to any individual for any month for which no monthly benefit may be paid by reason of paragraph (1) of the new subsection (t).

Paragraph (8) of the new subsection (t) provides that the Attorney General shall certify to the Secretary of Health, Education, and Welfare such information regarding aliens who depart from the United States to any foreign country (other than Canada or Mexico) as may be necessary to carry out the purposes of the new subsection (t). In addition, the Attorney General will be required to otherwise aid, assist, and cooperate with the Secretary in obtaining such other information as may be necessary to enable the Secretary to carry out the purposes of the new subsection (t).

Section 118 (b) of the conference agreement provides the effective date for the new subsection (t). It will apply to monthly benefits under title II of the Social Security Act for months after December 31, 1956, and to lump-sum death payments under section 202 (i) of that act in the case of deaths occuring after December 31, 1956.

Amendment No. 46: This amendment adds, to the portion of the House bill preserving the relationship between railroad retirement and old-age and survivors insurance, a new subsection (c) amending section 5 (k) (2) of the Railroad Retirement Act of 1937 (relating to financial interchange). The Senate amendment provides the same type of financial interchange provisions between the Railroad Retirement Account and the Federal Disability Insurance Trust Fund (established by amendment No. 12) as are presently provided with respect to such account and the Federal Old-Age and Survivors Insurance Trust Fund, with corresponding technical changes in other provisions of such section 5 (k) (2).

The House recedes with technical amendments.

Amendment No. 47: This amendment added to the House bill a new section 121, amending section 216 (e) of the Social Security Act (relating to the definition of "child") and section 202 (d) of that act (relating to benefits payable to children, as defined in section 216 (e)). Subsection (a) of the Senate amendment would add a new class of persons to the definition of child, so that in the case of a deceased individual, the definition would include a child with respect to whom such individual has stood in loco parentis for not less than 5 years immediately preceding the day on which such individual died. Subsection (b) of the Senate amendment would add a new paragraph (7) to section 202 (d) of the Social Security Act providing that a person who is a "child" by reason of the changed definition of that term in subsection (a) shall be deemed dependent upon the individual standing in loco parentis with respect to him if at the time of such individual's death, the child was living with and receiving at least three-fourths of his support from such individual. Subsection (c) of the Senate amendment provided that the amendments made by subsections (a) and (b) shall apply only with respect to monthly benefits for months beginning after the date of enactment.

The Senate recedes.

Amendment No. 48: The Senate amendment added a new section 122 to the House bill. Subsection (a) of such section 122 would insert a new subsection "(u)" at the end of section 202 of the Social Security Act, consisting of two paragraphs. Under paragraph (1) of the new subsection (u), monthly benefits under section 202 of the Social Security Act would not be paid to any individual for any month after the Secretary of Health, Education, and Welfare has been notified by the Attorney General of the United States that such individual is or has been convicted of an offense under chapter 37, 105, or 115 of title 18 of the United States Code, or under section 4, 112, or 113 of the Internal Security Act of 1950. Paragraph (2) of the new subsection would provide for the Attorney General to furnish to the Secretary a complete list of the names of all individuals heretofore convicted of offenses specified in paragraph (1), and to notify the Secretary of the name of each individual hereafter so convicted. Such list and notification would be furnished as soon as practicable.

Subsection (b) of the Senate amendment would provide that the new subsection (u) should not be construed to restrict or otherwise affect any of the provisions of the act of September 1, 1954, which prohibits payment of annuities to officers and employees of the United States convicted of certain offenses.

The House recedes with an amendment substituting new language for the language proposed to be inserted by the Senate amendment. Under section 121 (a) of the conference agreement, section 202 of the Social Security Act is amended by adding at the end thereof a new subsection (u):

Paragraph (1) of the new subsection (u) provides that if an individual is convicted of any of the offenses specified in that paragraph, and if the offense was committed after the date of the enactment of the bill, then the court may impose a penalty in addition to all other penalties provided by law. The additional penalty is that in determining whether any monthly insurance benefit is payable under section 202 of the Social Security Act or under section 223 (relating to disability) of that act to the individual so convicted for the month in which he is so convicted or for any month thereafter, there is not to be taken into account (A) any wages paid to such individual or to any other individual in the calendar quarter in which such conviction occurs or in any prior calendar quarter, and (B) any net earnings from self-employment derived by such individual or by any other individual during a taxable year in which such conviction occurs or during any prior taxable year. The offenses specified for which the additional penalty may be imposed are offenses under chapter 37 (espionage and censorship), chapter 105 (sabotage), and chapter 115 (treason, sedition, and subversive activities) of title 18 of the United States Code, and offenses under sections 4, 112, and 113 of the Internal Security Act of 1950, as amended.

The imposition of the additional penalty is left to the discretion of the court. However, in those cases where the court imposes this penalty, the convicted individual will lose, for the month of conviction and all months thereafter, monthly benefits (including disability benefits) to the extent that such benefits are based on the employment or self-employment record of any person for the period in which the conviction occurs or for any prior period.

For example, if an individual is convicted in December 1957 of an offense committed in January 1957, and if the court imposes the additional penalty provided by the new paragraph (1), then for purposes of determining any monthly benefit which would

otherwise be payable to such individual for December 1957 or for any month thereafter, such individual's insured status and his average monthly wage shall be determined by omitting all wages paid to him for the last quarter of 1957 and for all prior quarters of 1957 and prior years and by omitting all net earnings from self-employment derived by such individual during 1957 (assuming that he is a calendar-year taxpayer) and during all prior taxable years.

If the convicted individual referred to in the preceding sentence is entitled to a monthly benefit based on the earnings record of a second individual, or if at some time in the future he makes application for such a monthly benefit, there must be omitted all wages paid to such second individual for the quarters specified in the preceding paragraph and all net earnings from self-employment income by such second individual during the taxable years specified in the preceding paragraph (with the exception that in this case the taxable year in which the conviction occurs will be determined by reference to the taxable years of such second individual, rather than by reference to the taxable year of the individual convicted).

It is to be emphasized that the additional penalty applies only to the individual convicted of the offense, and does not prejudice any of the rights of other individuals. Thus, if the penalty is imposed with respect to an individual, the entitlement of his wife, children, or parents to monthly benefits on the basis of his earnings record is to be determined as if no such penalty had been imposed. He is to be permitted to make application for benefits (if he is not already entitled to benefits) in the manner provided by law, if such application is necessary for others to become entitled to benefits on the basis of his earnings record. Similarly, section 203 (a) of the Social Security Act (relating to maximum benefits) is to operate as if the penalty had not been imposed. That is to say, in computing the maximum benefits which other individuals may receive on the basis of any earnings record, he will be deemed to be "entitled" to the benefits to which he would be entitled but for his conviction, even though the court-imposed penalty prevents the payment of any such benefit to him or reduces the amount thereof.

Paragraph (2) of the new subsection (u) provides that the Attorney General is to notify the Secretary of Health, Education, and Welfare as soon as practicable after the additional penalty has been imposed with respect to any individual. However, the period with respect to which the penalty is to be applied is dependent not on the date of such notification but on the time when the conviction occurs.

Paragraph (3) of the new subsection (u) provides that if the President of the United States grants a pardon of any offense with respect to which the additional penalty has been imposed, the penalty will not apply to months beginning after the month in which the pardon is granted. In the case of such a pardon granted to any individual, the determination of whether any monthly benefit is payable on the basis of his earnings record or the record of any other individual, and the determination of the amount of any benefit so payable, will be made as if he had not been convicted. However, the pardon will not affect monthly benefits for any month which begins on or before the date on which the pardon is granted.

Subsection (b) of section 121 of the conference agreement provides that the amendment made by subsection (a) of that section (which adds the new subsection (u)) is not to be construed to restrict or otherwise affect any of the provisions of the act of September 1, 1954 (Public Law 769, 83d Cong.), which prohibits payment of annuities to officers and employees of the United States convicted of certain offenses.

Subsection (c) of section 121 of the conference agreement amends section 210 (a) of the Social Security Act to exclude from the term "employment" service performed in the employ of certain Communist organizations. If any organization is registered at any time during any calendar quarter which begins after June 30, 1956, under the Internal Security Act of 1950, as amended, as a Communist-action organization, a Communist-front organization, or a Communist-infiltrated organization, then service performed in such quarter in the employ of such organization does not come within the definition of the term "employment." The same rule is provided in the case of any organization which fails to register but with respect to which there is in effect, at any time during the calendar quarter in question, a final order of the Subversive Activities Control Board requiring such organization to register as a Communist-action organization, a Communist-front organization, or a Communist-infiltrated organization. Whether or not there is in effect on any day a final order requiring registration is to be determined in the manner provided in title I of the Internal Security Act of 1950, as amended.

Subsection (d) of section 121 amends section 3121 (b) of the Internal Revenue Code of 1954 to exclude from the term "employment," for purposes of the taxes imposed by chapter 21 of such code, service which is not treated as employment for purposes of title II of the Social Security Act by reason of the amendment made by subsection (c) of section 121.

Amendment No. 51: Section 201 (b) of the House bill amended section 3121 (a) (9) of the Internal Revenue Code of 1954 (which excludes from "wages" certain payments made to employees after they attain retirement age) to reflect changes made elsewhere in the bill with respect to the definition of retirement age Section 201 (c) of the House bill made the necessary changes in section 3121 (b) (1) of the code (relating to the exclusion of service performed by gum-resin workers from "employment" for purposes of the Federal Insurance Contributions Act) to correspond with the changes made by the House bill in section 210 (a) (1) of the Social Security Act (relating to the exclusion of such service from "employment" for benefit purposes). The Senate amendment deleted both section 201 (b) and section 201 (c) of the House bill. In view of the action taken by the conferees with respect to amendment No. 10 (relating to definition of retirement age) and amendment No. 13 (relating to coverage of service performed by gum-resin workers), the House recedes with an amendment which restores section 201 (b) of the House bill.

Amendment No. 52: This amendment added to the House bill a new section 201 (b), which would amend section 3121 (b) (1) (B) of the Internal Revenue Code of 1954 (relating to the exclusion of service performed by certain foreign agricultural workers from "employment" for purposes of the Federal Insurance Contributions Act) to correspond with the changes made by amendment No. 14 in section 210 (a) (1) (B) of the Social Security Act (relating to the exclusion of such service from "employment" for benefit purposes). In view of the action taken by the conferees with respect to amendment No. 14, the House recedes with a clerical amendment.

Amendment No. 53: Section 201 (d) of the House bill made the necessary changes in section 3121 (b) (6) of the Internal Revenue Code of 1954 (relating to the exclusion of certain service from "employment" for purposes of the Federal Insurance Contributions Act) to correspond with the changes made by the House bill in section 210 (a) (6) of the Social Security Act which extend coverage to service in the employ of the Tennessee Valley Authority and to service in the employ of a Federal home loan bank. The Senate amendment deleted this provision of the House bill. In view of the action taken by the conferees with respect to amendment No. 15, the House recedes with an amendment which restores with clerical changes the provisions of the House bill.

Amendment No. 55: Section 201 (e) (2) of the House bill made the necessary changes in section 1402 (a) (1) of the Internal Revenue Code of 1954 (relating to the treatment of income derived from share-farming arrangements for purposes of the tax on self-employment income) to correspond with the changes made by the House bill in section 211 (a) (1) of the Social Security Act (relating to the treatment of such income for benefit purposes). The Senate amendment added to this provision of the House bill the same language as that which was added by amendment No. 17 to the provision of the House bill dealing with the treatment of such income for benefit purposes. The House recedes.

Amendment No. 57: Section 201 (f) of the House bill made the necessary changes in section 1402 (c) (5) of the Internal Revenue Code of 1954 (relating to the treatment of certain professional self-employed individuals for purposes of the tax on self-employment income) to correspond with the changes made by the House bill in section 211 (c) (5) of the Social Security Act (relating to the treatment of such individuals for benefit purposes). The Senate amendment made the same change in this provision of the House bill as that which was made by amendment No. 19 in the provision of the House bill dealing with the treatment of such individuals for benefit purposes. The House recedes with an amendment conforming to the conference action on amendment No. 19.

Amendment No. 58: This amendment added to section 201 of the House bill a new subsection (e), which would make the necessary changes in section 1402 (a) (8) (B) of the Internal Revenue Code (relating to the computation of net earnings from self-employment, in the case of a minister serving in a foreign country, for purposes of the tax on self-employment income) to correspond with the changes made by amendment No. 23 in section 211 (a) (7) (B) of the Social Security Act (relating to the computation of such net earnings for benefit purposes). In view of the action taken by the conferees with respect to amendment No. 23, the House recedes with clerical amendments.

Amendment No. 59: This amendment added to section 201 of the House bill a new subsection (f), which would make the necessary changes in section 3121 of the Internal Revenue Code of 1954 to correspond with the changes made by amendment No. 26 in section 209 (h) (2) of the Social Security Act (relating to the treatment of remuneration for agricultural labor as "wages" for old-age and survivors insurance benefit purposes) and in section 210 of that act (relating to the treatment of service performed by and for crew leaders for old-age and survivors insurance benefit purposes).

Paragraph (3) of the new subsection (f) would amend section 3102 (a) of the Internal Revenue Code of 1954 (which permits an employer paying cash remuneration for agricultural labor to deduct the Federal Insurance Contributions Act employee tax from such remuneration even though at the time of payment it is not clear whether or not such remuneration constitutes "wages") to reflect the change in section 209 (h) (2) of the Social Security Act made by amendment No. 26 and the change in section 3121 (a) (8) (B) of the Internal Revenue Code of 1954 made by this amendment (No. 59).

The House recedes with amendments conforming to the conference action on amendment No. 26.

Amendment No. 60: This amendment added to section 201 of the House bill a new subsection (g), which would make the necessary changes in the last two sentences of section 1402 (a) of the Internal Revenue Code of 1954 (relating to the optional method of computing net earnings from farm self-employment for purposes of the tax on self-employment income) to correspond with the changes made by amendment No. 27 in section 211 (a) of the Social Security Act (relating to the optional method of computing such net earnings for old-age and survivors insurance benefit purposes).

The House recedes with amendments which conform to the conference action with respect to amendment No. 27.

Amendment No. 61: This amendment added to section 201 of the House bill a new subsection (h), which would amend section 3121 (l) (8) (A) of the Internal Revenue Code of 1954 so as to include as a foreign subsidiary of a domestic corporation, for purposes of the provisions of law permitting the extension of old-age and survivors insurance coverage to employees of such subsidiaries, any foreign corporation of whose voting stock not less than 20 percent is owned by a domestic corporation. Under present law, more than 50 percent of the stock of the foreign subsidiary must be owned by the domestic corporation in order for the employees of the foreign subsidiary to be eligible for such coverage. The House recedes with a clerical amendment.

Amendment No. 63: Section 201 (g) of the House bill amended section 3121 (k) (1) of the Internal Revenue Code of 1954 to extend until the end of 1957 the period during which employees of an organization which has filed a certificate waiving its tax exemption under the Federal Insurance Contributions Act may add their names to the list of employees concurring in the filing of such certificate. Under present law, no names may be added to any such list after the expiration of 24 months following the first quarter during which the certificate was in effect. The Senate amendment extended the period provided by the House bill for an additional year, i. e., until the end of 1958. The House recedes.

Amendments Nos. 65 and 66: Section 201 (i) of the House bill contained the effective dates applicable to the provisions of the House bill which made the necessary changes in chapter 2 (tax on self-employment income) and chapter 21 (Federal Insurance Contributions Act) of the Internal Revenue Code of 1954 to reflect the changes in coverage under the old-age and survivors' insurance system which were made in the House bill. Senate amendment No. 66 deleted this subsection of the House bill, and Senate amendment No. 65 inserted a new subsection containing the effective dates applicable to such provisions in the bill as it passed the Senate. The new subsection also included special provisions to permit a minister, whose income as a minister, for any taxable year ending after 1954 and prior to 1957, would have constituted net earnings from self-employment, if the bill as amended by Senate amendment No. 58 had been then in effect, to elect to have the provisions of such amendment apply with respect to taxable years ending after 1954 and prior to 1957.

The House recedes with amendments. In view of the period of time which has elapsed since the passage of the bill in the House, the conference agreement, except as noted below, retains the effective dates contained in the Senate amendment. The amendment made by subsection (b) of section 201 of the House bill, which was restored by the conference action on amendment No. 51, shall apply with respect to remuneration paid after October 1956. The amendments made by subsection (d) of the House bill, which were restored by the conference action on amendment No. 53, shall apply with respect to service with respect to which the amendments made by subsection (b) of section 104 of the bill apply. (For an explanation of the effective date of these amendments, see amendment No. 25.) The amendment to subsection (a) of section 1402 of the Internal Revenue Code of 1954 (made by sec. 201 (i) of the bill as agreed to in conference) shall apply with respect to taxable years ending on or after December 31, 1956, rather than to taxable years ending after December 31, 1956, as provided in the Senate amendment.

The conference agreement also makes necessary technical and conforming changes in the Senate amendment.

Amendments Nos. 67 and 68: Section 202 of the House bill amended section 1401 of the Internal Revenue Code of 1954 to increase each of the rates of tax upon self-employment income prescribed by existing law by three-fourths of 1 percent, and amended sections 3101 and 3111 of the Federal Insurance Contributions Act to increase each of the rates of the employee tax and the employer tax prescribed by existing law by one-half of 1 percent. The increase in the tax on self-employment income would apply with respect to taxable years beginning after 1955, and the increase in the employee and employer taxes would apply with respect to remuneration paid after 1955.

Senate amendment No. 67 deleted section 202 of the House bill. Senate amendment No. 68 added to the House bill a new section 202, which amended the same sections of law as were amended by the House bill. Under the Senate amendment, the rates of tax prescribed in section 1401 upon self-employment income would each be increased by three-eighths of 1 percent; and the rates of the employee tax and the employer tax prescribed in sections 3101 and 3111, respectively, would each be increased by one-fourth of 1 percent. The increase in the tax on self-employment income would apply with respect to taxable years beginning after 1956, and the increase in the employee and employer taxes would apply with respect to remuneration paid after 1956.

The House recedes.

Amendments Nos. 69 and 70: These amendments added to the House bill a heading for a new title III and a declaration of the purpose of such new title, which would amend the public assistance provisions of the Social Security Act and would consist of the matter contained in amendments Nos. 71 through 98. In view of the action taken by the conferees with respect to the latter amendments, the House recedes.

Amendments Nos. 71, 72, 73, 74, 75, and 76: These amendments, which comprise part I (relating to matching of assistance expenditures for medical care) of the new title III of the bill, would amend sections 3 (a), 403 (a), 1003 (a), and 1403 (a) of the Social Security Act so as to provide separate dollar-for-dollar matching of State expenditures for old-age assistance, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled where such assistance is furnished in the form of medical or other remedial care, up to a maximum of (1) $8 (or, in the case of aid to dependent children, $4 for each child recipient and $8 for each adult recipient) multiplied by the number of individuals receiving assistance in any form under the State plan, plus (2) certain additional amounts. State expenditures for assistance in the form of cash payments would continue under the present formula (as amended by amendments Nos. 89, 90, and 91). The amendments relating to medical care would be effective July 1, 1957 (and would continue in effect even after the expiration of such amendments Nos. 89, 90, and 91). With respect to amendments Nos. 71 and 76, the House recedes; and with respect to amendments Nos. 72, 73, 74, and 75, the House recedes with amendments limiting the dollar-for-dollar matching for medical care expenditures to a maximum of $6 (or, in the case of aid to dependent children, $3 per child and $6 per adult) multiplied by the number of individuals receiving assistance under the State plan.

Amendments Nos. 77, 78, 79, 80, and 81: These amendments, which comprise part II (relating to services in programs of public assistance) of the new title III of the bill, would amend titles IV, X, and XIV of the Social Security Act so as to make it clear that the public assistance programs under those titles include not only the provision of financial assistance but also the furnishing of services designed to help needy individuals to attain self-support or self-care (or, in the case of aid to dependent children, designed to maintain and strengthen family life and to help the relatives caring for dependent children to attain self-support and personal independence). These amendments also require (effective July 1, 1957) that each State plan include a description of the services (if any) to be furnished by the State for this purpose, and make it clear that Federal payments to a State with respect to the costs of administering the State plan may include payments with respect to such services. With respect to amendment No. 77, the House recedes with an amendment making changes in title I of the Social Security Act (relating to old-age assistance) which have substantially the same purpose with respect to self-care as the changes made in titles IV, X, and XIV of that act by the Senate amendments; and with respect to amendments Nos. 78, 79, 80, and 81, the House recedes with clerical and conforming amendments.

Amendments Nos. 82, 83, and 84: These amendments, which comprise part III (extension of aid to dependent children) of the new title III of the bill and become effective July 1, 1957, would amend section 406 (a) of the Social Security Act so as to add first cousins, nephews, and nieces to the list of the relatives with one of whom a needy child must be living in order to be eligible for aid to dependent children under title IV of that act. These amendments also eliminate the requirement that a needy child between 16 and 18 years of age must be regularly attending school in order to be eligible for aid to dependent children. The House recedes.

Amendments Nos. 85, 86, 87, and 88: These amendments comprise part IV (relating to research and training) of the new title III of the bill. Amendment No. 86 would authorize the Federal Government (through grants, contracts, and jointly financed cooperative arrangements) to participate in the cost of research and demonstration projects relating to the improvement of the public assistance and related programs; the authorized appropriation for this purpose would be $5,000,000 for the fiscal year 1957 and such amount as the Congress may determine thereafter. Amendment No. 87 would authorize the Federal Government to make grants to States (as defined in sec. 1101 of the Social Security Act) to enable them (either directly or through nonprofit institutions of higher learning) to provide various types of training for personnel employed or preparing for employment in the public assistance programs; the authorized appropriation for this purpose would be $5,000,000 for the fiscal year 1958 and such amount as the Congress may determine thereafter, and the Federal share of the cost of such training would be 100 percent during the fiscal years 1958 through 1967 and 80 percent thereafter. With respect to amendments Nos. 85, 86, and 88, the House recedes; and with respect to amendment No. 87, the House

recedes with an amendment under which the program of training grants for public welfare personnel would terminate at the end of the fiscal year 1962 and the Federal share of the cost would be limited to 80 percent during each of the 5 years of the program.

Amendments Nos. 89, 90, 91, 92, and 93: These amendments, which comprise part V of the new title III of the bill, would amend the matching formulas applicable to title I, IV, X, and XIV of the Social Security Act (relating to old-age assistance, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled, respectively). Amendments Nos. 89, 90, and 91 apply to old-age assistance, aid to the blind, and aid to the permanently and totally disabled, and for purposes of assistance under those programs would (1) increase the ceiling on the Federal payment with respect to any individual from $55 to $65 and (2) provide that five-sixths of the first $30 per recipient can be counted instead of only four-fifths of the first $25; however, these increases would not be available to any State unless it maintains its average expenditure per recipient from State funds. Amendment No. 92 would extend until June 30, 1959, the temporary matching formula for aid to dependent children which was provided in section 8 (b) of the Social Security Act Amendments of 1952 and which is currently in effect. Under amendment No. 93, all of these amendments would become effective October 1, 1956.

With respect to amendments Nos. 89, 90, and 91, the House recedes with amendments (1) providing that the Federal ceiling for purposes of titles I, X, and XIV of the Social Security Act shall be $60 and that four-fifths of the first $30 per recipient can be counted, (2) eliminating the requirement that a State maintain its average expenditure per recipient from State funds in order to receive the Federal increase, and (3) changing the matching formula contained in title IV of the Social Security Act (relating to aid to dependent children) so as to provide that the Federal ceiling for purposes of such title shall be $32 with respect to the first dependent child in any home, $23 with respect to each additional child, and $32 with respect to each relative with whom the child is living (instead of $30, $21, and $30, respectively, as in present law), and that fourteen-seventeenths of the first $17 per recipient can be counted (instead of four-fifths of the first $15, as in present law).

With respect to amendment No. 92, the Senate recedes in view of the action taken on amendment No. 89 in regard to aid to dependent children.

With respect to amendment No. 93, the House recedes with an amendment providing that the changes made by amendments Nos. 89, 90, and 91 shall cease to be effective after June 30, 1959.

Amendments Nos. 94, 95, 96, 97, and 98: These amendments comprise part VI of the new title III of the bill. Amendment No. 95 would amend sections 403 and 1108 of the Social Security Act (effective for the fiscal year 1957 and subsequent fiscal years) so as to permit Federal matching (under the program of aid to dependent children) of expenditures in the Virgin Islands for relatives with whom dependent children are living, and so as to increase from $160,000 to $300,000 the maximum Federal payment to the Virgin Islands under all the public assistance programs in any fiscal year. Amendment No. 98 would make the same changes in the case of Puerto Rico (except that the increase in the maximum Federal payment would be from $4,250,000 to $5,312,500). Amendments Nos. 96 and 97 would make certain changes in the public assistance provisions of the Social Security Act with respect to the determination of need.

With respect to amendment No. 94, the House recedes. With respect to amendment No. 95, the House recedes with an amendment combining its provisions with those of amendment No. 98 (relating to Puerto Rico), limiting the maximum Federal payment in the case of the Virgin Islands to $200,000, and making certain technical changes. With respect to amendments Nos. 96 and 97, and with respect to amendment No. 98 in view of the action taken by the conferees on amendment No. 95, the Senate recedes.

Amendment No. 99: This amendment added to the House bill (as a part of a new title IV) a new section 401, which would amend section 403 of the Social Security Amendments of 1954.

Subsection (a) of such section 403 presently provides that service performed by an individual after 1950 and before 1955 as an employee of an organization (1) described in section 501 (c) (3) of the Internal Revenue Code of 1954 which is exempt from tax under section 501 (a) of such code and, (2) which failed to file a waiver certificate, may, notwithstanding such failure to file, be deemed to constitute "employment" for old-age and survivors insurance purposes if the Federal Insurance Contributions Act taxes were paid (and not refunded) on the good-faith assumption that the certificate had been filed, and if the individual so requests. The Senate amendment extended for 2 years the period during which such service can be counted under subsection (a), so that the subsection would apply to service performed after 1950 and before 1957 (but only where the individual was employed by that organization before the enactment of the bill).

Subsection (b) of such section 403 presently provides that service performed for such an exempt organization after 1950 and before 1955, where the organization filed the waiver certificate but the employee failed to sign the list of concurring employees, may be deemed to constitute "employment" for old-age and survivors insurance purposes to the extent that the Federal Insurance Contributions Act taxes were paid (and not refunded) with respect to such service, if the employee so requests before 1957. The Senate amendment extended for 2 years the period during which such service can be counted under subsection (a), so that the subsection would apply to service performed after 1950 and before 1957 (but only where the employee was employed by that organization before the enactment of the bill), and also extends for 2 years (until January 1, 1959), the period during which the employee can file his request.

The House recedes.

Amendment No. 100: This amendment added to the House bill a new section 402, which would amend section 521 (a) of the Social Security Act (effective with respect to fiscal years beginning after June 30, 1956) so as to increase the annual authorization for child-welfare services from $10,000,000 to $12,000,000. The House recedes with an amendment providing that such increase shall be effective only with respect to fiscal years beginning after June 30, 1957.

Amendment No. 101: This amendment added to the House bill a new title V, which would establish a United States Commission on the Aging and Aged.

The Senate recedes.

Amendment of title: The Senate amendment conformed the title of the bill to the bill as amended by the Senate. Under the conference agreement the title of the bill is conformed to the bill as agreed to in conference.

JERE COOPER,
WILBUR D. MILLS,
NOBLE J. GREGORY,
DANIEL A. REED,
THOMAS A. JENKINS,
Managers on the Part of the House.

Mr. COOPER. Mr. Speaker, I call up the conference report on the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point on the conference report just adopted and I also ask unanimous consent that all Members of the House desiring to do so may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, we have reached another milestone in improving our social-security program. The conference committee report makes a number of important liberalizations in the system.

First, disability insurance protection is provided under the social-security system to over 35 million persons.

Second, social-security benefits are provided to women beginning at age 62.

Third, coverage under the social-security system is increased by over 250,000.

Fourth, the Federal share of public assistance to 5 million needy aged, disabled, blind, and dependent children is increased.

Fifth, Federal funds are provided for helping to meet the medical care needs of the 5 million persons on public assistance.

Sixth, the program for aid to dependent children is broadened and strengthened.

Seventh, additional Federal encouragement is provided for helping the 5 milion public-assistance recipients attain self-support and self-care and to maintain and preserve family life.

Eighth. Federal support is provided for research in social security.

Ninth, Federal funds authorized for child-welfare services are increased $2 million a year.

Tenth, Federal public-assistance funds for the Virgin Islands and Puerto Rico are increased.

Mr. Speaker, these 10 provisions greatly strengthen and improve our social-security program.

I will now describe the provisions in more detail:

I. COVERAGE

(a) Self-employed professional groups: The House-passed bill provided coverage for all presently excluded self-employed professional groups except physicians. The Senate bill in addition excluded osteopaths. The conference agreement follows the House version of the bill.

(b) Farm operators and share farmers: The House bill made no change in the reporting of income requirements for farm operators. The Senate bill permitted the optional method of reporting to farmers on the accrual basis of accounting.

The Senate bill also provided that where annual gross farm income is between $400 and $1,200 the farmer could report either his gross income or his actual net earnings. Where a farmer's gross income is over $1,200 and where his net earnings are less than $1,200, the Senate bill provided that the farmer could report either his actual net earnings or $1,200. Where both a farmer's gross and net income is over $1,200, the Senate bill would have required his reporting his actual net earnings.

Under the conference agreement, a farmer will report two-thirds of his gross income where it is $1,800 or less as his net income. Where his gross income is over $1,800, he may report either his actual net income, or if his net income is less than $1,200 he may report $1,200 as his net income. The conference agreement would also permit members of farm partnerships to use the optional method of reporting.

The conference agreement substantially follows the House-passed bill by providing that rentals will be credited as self-employment income where the owner or tenant of the land participates materially with the individual working the land in the production or the management of the production of an agricultural or horticultural commodity.

Share farmers would be covered as self-employed persons, confirming the current interpretation of the law.

(c) Ministers: The conferees accepted the new Senate provision which would cover ministers outside the United States where they serve a congregation predominantly made up of United States citizens even though their employer may not be a United States employer.

(d) Agricultural workers: The House-passed bill made no change in the coverage requirement for agricultural workers. The Senate bill would have covered such workers where they, first, are paid $200 or more in cash wages in a calendar year by one employer; or, second, perform agricultural labor for an employer on 30 days or more during a calendar year for cash wages computed on a time basis.

Where farmworkers are recruited and paid by a crew leader, the crew leader would have been deemed to be the employer if he is not, by written agreement, designated to be an employee of the owner or tenant and if such crew leader is customarily engaged in recruiting and supplying individuals to perform agricultural labor. Under such circumstances the crew leader would have been deemed to be self-employed.

Under the conference agreement farmworkers who, first, are paid $150 or more in a calendar year by one employer; or, second, perform agricultural labor for an employer on 20 or more days during the calendar year for cash wages computed on a time basis would be covered.

The conferees accepted the Senate provisions relating to crew leaders.

The conferees accepted the Senate provision which would exclude from coverage agricultural workers from any foreign country who are admitted to the United States on a temporary basis.

The conference agreement also provides for an exclusion from coverage of persons producing or harvesting gum resin products as provided in the Senate bill.

(e) State and local employees: The conference agreement accepted the new provisions added by the Senate relating to the States named in the Senate bill except Indiana was deleted from the named States. It is my understanding that this deletion was at the request of the State of Indiana.

(f) Employees of nonprofit organizations: The conferees accepted the Senate version relating to nonprofit organization employees.

(g) Federal employees: The Senate deleted the House provisions granting coverage to Tennessee Valley Authority and Federal Home Loan Bank employees. The conference agreement would grant coverage to these employees.

(h) United States citizens employed by foreign subsidiaries of American corporations: The conferees accepted the Senate provision which would extend coverage to United States citizens employed by a foreign subsidiary of a domestic corporation where the corporation owns not less than 20 percent of the voting stock of the foreign subsidiary. At the present time there is a 50 percent ownership requirement.

(i) Adjustment of benefit provisions for newly covered persons: The conferees accepted the Senate provisions relating to insured status, the drop-out of years of low or no earnings, and starting and closing dates.

II. BENEFITS FOR PERMANENTLY AND TOTALLY DISABLED PERSONS

The conferees for the most part accepted the Senate version of the provisions granting benefits to the permanently and totally disabled.

The conference agreement deletes the provision of the Senate bill whereby individuals who refuse to undergo surgical or medical service in connection with rehabilitation would have been deemed to have done so with good cause.

III. RETIREMENT AGE FOR WOMEN

The House-passed bill would have reduced the retirement age for women from age 65 to age 62. The Senate bill would have provided full benefits at age 62 for widows and surviving dependent mothers only. Other women beneficiaries would be provided reduced annuities if they retire before age 65.

The conference agreement follows the Senate bill.

IV. SUSPENSION OF BENEFITS FOR CERTAIN ALIENS WHO LEAVE THE UNITED STATES

The conferees accepted the Senate provision suspending benefits to aliens who leave the United States with amendments making the suspension inapplicable if such a person has been a resident of the United States for 10 years or has paid contributions for 10 years or where there is a reciprocal treaty relating to benefits. The Senate provision was also amended to provide such a person would have to be outside the United States for 6 months before his payments would be suspended.

V. FORFEITURE OF BENEFITS UPON CONVICTION OF CERTAIN CRIMES

The Senate bill would have terminated an individual's benefits if he has been or is convicted of treason and certain other crimes under the Internal Security Act.

The conference agreement amends this provision to provide that benefits may be terminated only by a court.

VI. EXCLUSION FROM COVERAGE OF PERSONS LISTED BY THE SUBVERSIVE ACTIVITIES CONTROL BOARD

The conference agreement would exclude persons listed by the Board from coverage.

VII. FINANCING

The House-passed bill would have increased social security taxes by one-half of 1 percent on each the employer and employee, effective January 1, 1956. The self-employment tax would have been increased by three-fourths of 1 percent.

The conference agreement follows the Senate version whereby taxes would be increased one-fourth of 1 percent on each the employer and employee, effective January 1, 1957. The increase for the self-employed would be three-eighths of 1 percent. Similar increases would be made in each of the scheduled increases in taxes now contained in the law.

The conferees accepted the Senate provision establishing a separate trust fund for these increases which would be used only for the payment of disability insurance benefits.

The conferees also accepted the Senate provision providing for an increase in interest received by the Trust Fund.

VIII. PUBLIC ASSISTANCE AMENDMENTS

The House-passed bill did not contain any amendments to the public-assistance titles of the Social Security Act. The Senate bill would have increased the maximum amount matchable under the old-age assistance aid to the blind and the permanently and totally disabled to five-sixths of the first $30 plus one-half of the remaining amount up to a maximum of $65 if the States complied with a "pass-along" provision.

Under the conference agreement, matching would be on the basis of four-fifths of the first $30 plus one-half of the next $30 up to a maximum of $60.

The maximum amount matchable in the aid to dependent children program would be increased by $2.

The Senate bill provided for a new medical care program with 50-50 matching up to a maximum of $8 for adults and $4 for children recipients. The confer-

ence agreement reduces this amount to $6 and $3, respectively.

The Senate bill would have provided that in determining need a State could disregard up to $50 in earned income. The conferees deleted this provision. The conferees also deleted the Senate provision to the effect that there should be no discrimination based on sex in determining need.

The conferees accepted the Senate provision authorizing grants to States, public and nonprofit organizations for research and demonstration projects.

The conferees also accepted the Senate provision relating to training grants with an amendment providing that the Federal share would be 80 percent for 5 years.

The conference agreement contains the Senate provision deleting the requirement that a needy child must attend school between the ages of 16 and 18, as well as the Senate provision including first cousins, nephews, and nieces within the persons eligible for payments under the ADC program. Parents and other relatives in Puerto Rico and the Virgin Islands would be made eligible for payments under the ADC program.

The Senate bill raised the ceiling on Federal matching for public assistance for the Virgin Islands from $160,000 to $300,000. The conference agreement raises this amount to $200,000.

The conferees accepted the Senate provision raising the ceiling for Puerto Rico from $4,250,000 to $5,312,500.

The conferees accepted the Senate provision increasing the authorization for child welfare programs from $10 million to $12 million a year with a change making the increase effective for the fiscal year ending June 30, 1958. The conferees agreed to delete the Senate provision which would have established a Commission on Aging.

Mr. Speaker, I inserted a press release announcing the conference agreement on H. R. 7225 in the RECORD on Saturday, July 21. This release will be found at page A5755, and it contains a more detailed description of the conference agreement.

Mr. Speaker, we have reached another milestone in our social legislation. A major achievement has been made in providing insurance benefit payments for disabled workers. The lack of disability insurance payments has been a long-recognized shortcoming in our social security insurance program. We have also made another major contribution to the social security program by reducing the age at which women beneficiaries may become eligible for benefits. We have now reached practically universal coverage under the system.

It has been my good fortune to have voted for the original Social Security Act and the many improvements which has been made since that time. I have long fought to add disability insurance benefit payments to the program. I am very happy that these benefits are now being added to round out the protection for our American workers.

Mr. REED of New York. Mr. Speaker, H. R. 7225, the Social Security Act Amendments of 1956, provides several major changes in the present law. As the ranking Republican Member of the Conference Committee on the part of the House, I would like to summarize these changes.

First, the bill provides for the payment of cash disability benefits at age 50 to covered individuals who are permanently and totally disabled.

Second, it provides for the payment of women's benefits at age 62 instead of the present 65. Widows and surviving dependent mothers would be given full benefits at age 62. Working women and wives would be given reduced benefits if they begin to draw them between age 62 and 65.

Third, additional self-employed persons are brought into the social security system. Among these, lawyers and dentists represent major new coverage groups. In my opinion, it is unfortunate that we have delayed so long in extending coverage to these groups. The bill which I sponsored in 1954 would have covered both lawyers and dentists at that time. Physicians will continue to be excluded under H. R. 7225.

Fourth, social-security taxes will be increased effective January 1, 1957, by 1/4 of 1 percent for each the employee and employer, making the rate at that time 2 1/4 percent each. The self-employment tax will be increased from 2 to 3 3/8 percent at the same time.

Fifth, the bill increases present public assistance payments. The matching formula for old-age assistance, aid to the blind, aid to the permanently and totally disabled, and aid to dependent children at the present time for the first 3 of these programs is four-fifths of the first $25 of a State's average monthly payment, up to a maximum of $55. The maximum amount matchable for these 3 programs would be increased from $55 to $60 and the formula would be changed so as to provide matching of four-fifths of the first $30 and one-half of the next $30 up to a maximum of $60. The aid to dependent children formula is presently four-fifths of the first $15 of a State's average monthly payment plus one-half of the next $15 up to a maximum of $30 for an eligible adult and for the first child. Each additional child is subject to a maximum of $21. The amount matchable would be increased by $2.

The increase in cost over present law for the first year amounts to $98 million for the aid to the blind, aid to the permanently and totally disabled, and old-age assistance and $48 million for the first year for aid to dependent children. The conferees deleted the pass-along provision from the Senate bill.

I have always been vitally interested in the special problems of the blind and have taken a leading role in developing legislation on their behalf. For this reason, I am glad to call attention to the increased Federal matching for the aid-to-blind program.

Sixth, a new program would be added whereby the Federal Government would match on a 50–50 basis State expenditures on vendor payments in behalf of public-assistance recipients needing medical care up to a maximum determined by multiplying $6 per month times the number of adults and $3 per month times the number of children. This program will cost $65 million in the first year. This new program is the one which I first introduced in a bill form last year on behalf of the administration.

Of course, Mr. Speaker, there are many other changes provided by H. R. 7225, but I believe that the above summary contains the highlights.

In 1954, during the Republican 83d Congress, when I had the honor to be chairman of the Committee on Ways and Means, I assumed responsibility for sponsoring and leading the battle for the administration's social-security program. That legislation has been one of the landmarks of the Eisenhower administration during its first term. It demonstrated, once and for all, that the Republican Party did not intend to turn the clock back in this area, but would take the lead in placing the retirement and survivorship protection of the American people on a firmer foundation.

That social-security bill which I sponsored and which Congress enacted into law in 1954 provided a number of important improvements in the existing program. First, and, I believe, most important, the basic protection of social-security coverage was finally extended to practically the entire gainfully employed population of the United States. For example, some 6 million farm owners and their families were brought into the system for the first time, an accomplishment of tremendous significance to the farm families of America. I recognize that a great many of the farmers of this country do not retire at age 65 and do not want to retire at that age. As a result, the retirement benefits of the social-security program are of uncertain value to many of these individuals. On the other hand, the survivor benefits of the system are of inestimable value to widows and dependent children upon the unexpected and untimely death of the family breadwinner. It has been my sad experience that my farmer friends and neighbors are certainly as susceptible to crippling injury and sudden death as the result of farm accidents as are individuals in other occupations, and probably more so. The new survivorship protection which we provided in 1954 should bring a new sense of security and peace of mind to our farm homes throughout the land.

These facts are equally true, I think, with regard to the millions of other self-employed individuals who were brought into the system for the first time under my bill in 1954. Personally I have always wished that there were some practical way by which these individuals, including farmers, could be brought into the social-security system on an optional and not on a compulsory basis. I think that it is unfortunate to force people to take part in this type of retirement and survivorship system if they do not want to or do not need to. On the other hand, it has been demonstrated that an optional social-security system would cost just as much as private insurance, and would, therefore, be out of the reach of those of our people most in need of this basic protection for themselves and their loved ones. By extending the system to all, it has been possible to keep the costs relatively low, and thus within the means of the average individual.

The 1954 amendments also contained a number of other improvements in the existing system. Coverage was broadly extended with regard to farm workers. Moreover, my bill substantially improved the so-called "work clause" which had operated to deny benefits to individuals, otherwise eligible for benefits, who had earnings in excess of $75 a month. Under my bill, the allowable amount of earnings was increased to $1,200 a year. In addition, my bill provided across-the-board increases in benefits for all social security beneficiaries. These increases were modest in amount but helped in some measure to offset the rise in the cost of living which had struck with especial severity at our older citizens.

In comparing the action of Congress in 1954 and the action today with regard to this bill, I feel that certain comments are in order.

I believe that it was most unfortunate that no public hearings were ever held by the Committee on Ways and Means on this bill. This seems extraordinary in view of the billions of dollars involved and, even more important, in view of its significance in terms of human needs, upon which no value in dollars can be placed.

I believe it is unfortunate that the Committee on Ways and Means, as well as this House as a whole, has had no opportunity to determine what other areas of improvement within the social security system might be appropriate. For example, no effort was made to study a possible increase in minimum benefits, even though such an action would have benefited all of our retired workers and not just a selected few. The Republican members of the Committee on Ways and Means made every effort last year to have this and other problems considered but to no avail. Frankly, I believe that the utter refusal by the majority to even consider an increase in the present minimum cash benefits demonstrates a callous disregard of the needs of our older citizens.

In many ways, the bill as agreed to by the conference committee represents a distinct improvement over the House bill. The provision for a separate trust fund with respect to the increased contributions required by disability benefits is a sound one. No one has the faintest conception what cash disability benefits ultimately will cost. The special trust fund will permit the Congress and the public to keep a close check on the finances of this new program. The overall lower cost of the conference bill is a distinct advantage.

I believe that the conferees have done an excellent job in resolving the differences between the House and Senate bills.

Mr. JENKINS. Mr. Speaker, I was a Member of Congress when the first social-security legislation was passed. It was then considered as an old-age pension law. We, in Ohio, had an old-age pension law for a year or two, and, of course, I was somewhat familiar with the principle. I felt that probably the most deserving persons who should have help under this kind of legislation would be the deserving blind people, and I offered an amendment to the bill in the Ways and Means Committee providing for "aid to the indigent blind." In spite of all my earnestness, the Ways and Means Committee refused to accept my amendment. I then followed the matter up and offered my amendment on the floor of the House. Again, in spite of all my earnestness, the House of Representatives turned me down. The newspapers and magazines saw the fairness of my proposition and as a result, when the bill came before the Senate, my amendment was adopted and became a part of the first social-security law.

I mention this to show that from a humble beginning, where the poor blind woman who held out her tin cup on the street corner could not qualify for help, the principle of "public assistance has spread until today the social-security activities of the Government reach out and include nearly all our people.

Now, Mr. Speaker, I wish to discuss some of the changes in this great and important system made in the legislation under consideration today.

The conferees on H. R. 7225, the Social-Security Act Amendments of 1956, have accomplished successfully a very difficult and complex task.

The bill embraces a great many important changes, both in the old-age and survivors insurance system and also in the public assistance program. I would like to call to the attention of my colleagues some of the most significant of these changes.

First of all, H. R. 7225 contains an entirely new disability insurance program. It provides for the payment of cash benefits at age 50 to individuals who become permanently and totally disabled. The idea of disability insurance has been a controversial one over the years. There have always been sharp differences of opinion, not over the theoretical desirability of such a program, but over whether it could be practically administered and whether it could be financed on a sound basis. I believe that the conference bill provides for about the best approach to this problem that we can achieve at this time. However, we should watch the development of this program with great care.

Secondly, the bill lowers the age at which women can become entitled to benefits. Widows and surviving dependent mothers would be given full benefits at age 62. Working women and wives would be given reduced benefits if they begin to draw them between age 62 and 65. Working women would receive 80 percent of their full benefit should they retire at age 62. If they delay retirement they would be given five-ninths of 1 percent for each month's delay up to age 65. Wives would be given 75 percent of their full benefits should they begin to receive benefits at 62. For each month's delay up to age 65 they would receive twenty-five thirty-sixths of 1 percent. Should a woman accept a reduced benefit, this benefit would continue to be payable and it would not be increased upon their reaching age 65.

Third, the bill extends coverage to additional self-employment individuals, including lawyers and dentists. I believe it safe to say that when this bill becomes law, doctors of medicine will be the only self-employed group not covered by social security.

Fourth, it must be understood that the liberalizations provided by this bill must be paid for in order to keep the finances of the system on a sound basis. As a result, the social-security tax will go up one-quarter percent next January 1, after which it will be 2¼ percent each on employee and employer. The self-employment tax will go up to 3⅜ percent on the same date.

Mr. Speaker, that concludes the changes involving the old-age and survivors' insurance program. Several other changes are provided with respect to public assistance.

For example, with regard to old-age assistance, aid to the blind, and aid to the permanently and totally disabled, the maximum amount which the Federal Government will match is increased to $60 from the present $55. The matching formula is also changed to four-fifths of the first $30 and one-half of the next $30 up to a maximum of $60, instead of four-fifths of the first $25 and one-half of the next $30 up to a maximum of $55, as under present law. In addition, and this is very important, there will be a $2 increase in the amount matchable with respect to the aid to dependent children program.

Finally, the bill provides a new program with respect to matching medical care payments for the needy. Under the bill, the Federal Government will match on a 50-50 basis vendor payments by the States with respect to medical care for public-assistance recipients. The bill provides a ceiling on the program equal to $6 per month times the number of adults and $3 per month times the number of children receiving assistance.

Summarizing the entire bill, it provides: First, disability benefits under OASI; second, lowering the OASI benefit age for women to 62; third, coverage of all self-employed except doctors of medicine; fourth, increased social security taxes January 1, 1957; fifth, increased Federal share under public assistance; and sixth, Federal matching of State payments with respect to the medical care of public assistance recipients.

Mr. ZABLOCKI. Mr. Speaker, I am extremely pleased that the conference report on the Social Security Act Amendments of 1956 contained three major improvements in the law—improvements which will lower the retirement age for women, provide benefits to totally and permanently disabled workers at age 50, and extend coverage to dentists, lawyers, and certain other professional, self-employed groups.

The contents of the conference report are particularly pleasing because I have worked for these major improvements for a number of years.

As early as February 26, 1953, I introduced a bill in the House of Representatives, proposing that the retirement age for women be lowered to age 60 and that totally disabled workers be made eligible for benefits regardless of age.

This bill, H. R. 3554, 83d Congress, was the result of a long and thorough study assisted by outstanding experts on social security.

Two years later, on March 18, 1955, I reintroduced my proposal in an improved form. This time it was embodied in two separate bills: H. R. 1635 which proposed to lower the retirement age for women to age 60; and H. R. 5057, which called for the payment of social-security benefits to totally disabled workers, again without age limitations.

The progress made toward the achievement of these goals in the Social Security Act Amendments of 1956 will prove of tremendous benefit to thousands of American people. It will alleviate the problem of numerous widows, surviving dependent mothers, working women, and wives of workers, who will be able to retire at an earlier age.

At the same time, this new legislation brings new hope and relief to many American families which have been subjected to hardships because the principal wage earner became disabled, and was unable to draw social security benefits until age 65.

I join with my distinguished colleagues in supporting the conference report on the Social Security Act Amendments of 1956 in the firm belief that this constructive and farsighted legislation merits our whole-hearted support.

Mr. RODINO. Mr. Speaker, broadening social security to provide payment to disabled persons at age 50 or over, at the same time lowering women's eligibility age to 62, is a solid achievement of the 84th Congress in providing for the general welfare and, at the same time, strengthening purchasing power for those most in need of such help.

I am proud that I voted for this bill, H. R. 7225, when it passed the House July 18, 1955. I am proud today to have voted for the conference report on the final bill following Senate action July 17, 1956.

Mr. Speaker, this broadening of coverage is a landmark of progress in legislation that is humane and economically wise. As predicted by the veteran Senator WALTER F. GEORGE in the last great speech of his long career, this advance is but a beginning. If our Nation continues in peace and freedom, as we all pray daily that it will, it is as certain as tomorrow's sunrise that future Congresses will further improve the Social Security Act, passed in 1935 against virtually solid Republican opposition and now supported by both parties with only a small hard core of die-hard dissenters.

There is no logic, no justifiable reason for denying benefit payments to insured workers who become totally and permanently disabled at 49 or 48 or 38 or 28 years of age.

The line of age 50 was chosen in taking this first step toward complete coverage for disability because members of the House Ways and Means Committee felt that the area from age 65 to age 50 was all that could be successfully proposed in the first legislative action by Congress.

Lest anyone leap to the conclusion that this is in any sense a raid on the Public Treasury or on taxpayers, let me say at once that it is a pay-as-we-go program, that the additional cost of insuring workers against permanent and total disability is to be met out of an additional one-quarter of 1 percent payroll tax to be paid by the workers themselves and a like amount to be paid by the insured workers' employers, the combined amount to be earmarked and reserved to pay disability benefits. This removes any possibility of draining the old age and survivors' insurance trust fund.

Mr. Speaker, it seems to me that very strong arguments can be made for lowering eligibility for disability payments below age 50, for removing any age qualifications whatever, and for making the eligibility test identical with the test for the payment of survivors benefits; namely, earnings in insured employment for the same number of years and quarters and amounts as now required for eligibility under the old-age and survivors insurance provisions of the act.

If a young worker has been working in insured employment for 10 years, during which both he and his employer have been taxed and have been paying into a fund to cover him, his dependents and survivors against the hazards of old age, death, and disability, it seems to me quite likely that permanent and total disablement of that worker at age 30 is quite likely to confront him, his wife, and young children with a more difficult and potentially more tragic situation than is likely to arise upon disablement at or after age 50, when dependency is likely to be less frequent and for shorter periods, since most of the children will have grown up beyond the dependency cut-off age of 18, or will be approaching that age.

At whatever age disability occurs, the insured worker and the members of his family are confronted with expenses beyond normal living expenses for able persons either of working age or in retirement. Medical care, surgery, therapy, prosthetic applicances, and other devices are often needed in addition to frequent nursing care.

All of these considerations, it seems to me, point to the need for, and the likelihood of, further improvements in the Social Security Act at an early date to lower the disability eligibility age until it is removed altogether and also to provide for the cost of medical, hospital, therapy, appliances and nursing care.

I shall continue to support and work actively for such further improvements.

Mr. Speaker, as so often happens in public policy and legislation, that which is morally right turns out to be economically right. This will be proven again in the 84th Congress's historic extension of the Social Security Act to cover disability and to lower the eligibility age for women.

The payments that can now be made to the totally and permanently disabled and to women upon reaching age 62 will strengthen mass purchasing power in precisely those areas where it is most needed, namely, in families whose income is threatened or has been cut off, and for the necessities of life itself, food, clothing, shelter, fuel, and medical care.

This bill passed the House with bipartisan support, only 31 voted against it, but 23 of those 31 were Republicans.

A year later, in July 1956, all the weight of the present administration through its Secretary of Health, Education, and Welfare was thrown into the fight in an effort to defeat the disability provisions of the bill, with the result that they passed the Senate by the narrow margin of 47 to 45. Forty-one Democrats voted for the George amendment adding disability to the bill as in the House version. Only 7 Democrats voted against it. But 38 Republicans voted against the George amendment adding disability. only 6 Republicans voted for that amendment. In conclusion, I want to quote and endorse the words of Senator GEORGE in closing the debate on his amendment:

> Mr. President, I undertake to say that this is the most important question I have ever presented to the American people. Senators may do as they please now. With the next Congress they will accept this principle. Regardless of promises or obligations, I do not believe that the Senate will so fail to defeat the working people of the United States.

Mr. McCARTHY. Mr. Speaker, before voting on H. R. 7225 with amendments agreed to by the Conference Committee, I want to express concern over the amendment relating to agricultural workers and crew leaders. This is a Senate-approved amendment to section 201 (f) (2) of the measure. I call attention to the statement of the Department of Labor circulated belatedly to members of the Conference Committee which voices strong opposition to the amendment.

The statement declares that the amendment will be most unfortunate for the migratory agricultural workers. The statement predicts that "deductions would be made from the worker's pay envelope without in many cases being recorded with the Social Security Administraiton, thus defeating the purpose of the amendment and thus depriving the migrant of honestly earned benefits under the Social Security Act."

The statement bases its prediction on the Labor Department's "long experience with the so-called crew leader system, under which approximately 250,000 migrant workers travel and secure their jobs."

There is a distinction --

The Department points out —

> between crew leaders and legitimate labor contractors, who actually employ and pay agricultural workers. These labor contractors are now considered as employers for income tax and social security purposes under rulings of the Internal Revenue Service. Their operations are not affected by this proposed legislation.
>
> Unlike the recognized labor contractor, the crew leader is generally only one step removed from migrant worker status himself. He may be a crew leader today and a migrant worker tomorrow, and vice versa. He is not, except in a few States licensed, nor is he bonded. He usually has no place of business, no fixed residence, no facilities whatever for keeping records, and in many instances is illiterate.
>
> The crew leader's charge for service averages around 12 percent of the worker's income earnings. Crew leaders having no responsibility toward workers or farmers, have been known to abscond with entire payrolls leaving the migrants and their families destitute, without work, money or transportation.
>
> While many migrants are now recruited directly by the farmers or through the employment service, section 201 (f) (2) would tend to force the workers to come under the crew leader system. The employer would find it more advantageous to have his entire work

force under crew leaders and thus avoid employer-employee responsibilities.

"This section would give statutory recognition to the crew leader system and would confer upon it a legal status inappropriate to its nature and most unfortunate for the migrant workers. Deductions would be made from the worker's pay envelope without in many cases being recorded with the Social Security Administration, thus defeating the purpose of the amendment and depriving the migrant of honestly earned benefits under the Social Security Act.

Moreover, from the standpoint of labor law administration, a dangerous precedent would be established by this amendment in its recognition of the practice of using a middleman to allow employers to shift their responsibilities for complying with labor legislation. This action might be a step in the direction of removing long recognized responsibilities of employers under other labor laws—workmen's compensation, for instance, or child labor, or the field of minimum wages."

These are telling arguments against this amendment and afford valid grounds for grave apprehension. I believe acceptance of this amendment carries with it an obligation on the part of Congress and especially of the Ways and Means Committee of which I am a member to follow closely the operation of this amendment in practice. If the Labor Department's unqualified forebodings are borne out by experience I believe the Congress should rectify the situation by legislative action. The least favored and least protected segment of our economic society—the approximately one million migratory agricultural workers—should not be left to the even more unhappy state which the Department of Labor declaration implies is in store for them under this amendment.

Mr. HENDERSON. Mr. Speaker, the social security bill of 1956 makes several significant changes in existing social security law:

First. It provides for payment to persons covered by social security who are totally disabled and who have reached the age of 50 years. Payments begin in July 1957. I see a great field of controversy in the determination of when and if a person is totally disabled. Such has been the experience of countless individuals seeking to establish this point to meet the requirements of workmen's compensation and Veterans' Administration laws.

Second. It reduces from 65 to 62 the age which women may qualify for payments as follows:

(a) If they are widows or surviving, dependent mothers of covered workers, they are eligible for full payment.

(b) If they are wives of workers covered by the Social Security Act or covered workers themselves, they may at age 62 elect to receive 80 percent of the payment. It should be pointed out that they then do not become eligible to receive the full amount at a later date. This would be effective November 1956.

Third. Increased contributions are a part of the law to meet the increased costs. Effective January 1, 1957, taxes would be increased one-fourth of 1 percent for each, the employer and employee, making the rate 2¼ percent on each. The self-employment tax will be increased from 3 to 3⅜ percent.

Fourth. Eligibility for payments under Aid to Dependent Children program is broadened to include first cousins, nephews, and nieces.

Fifth. Beginning in taxable year 1956, coverage is extended to professional groups, except physicians.

Sixth. Formerly farm operators must have earned a net income of $400. Under the new bill where gross income is $1,800 or less, two-thirds of the gross income may be considered as net income for social-security purposes. Where the gross income is over $1,800, it is deemed that the net income is at least $1,200 for computation purposes. This provision is to be effective on the 1957 income.

Seventh. Agricultural workers are covered after they earn $150 or work 20 days or more during a calendar year.

Eighth. Under this bill, the Federal Government also increases funds available for matching State aid in public assistance programs. This would apply to aid for the needy aged, aid to the blind, and aid to disabled dependent children.

Ninth. The new bill would also continue old-age and survivors program aid for dependent children beyond the age of 18 if such children are disabled.

Mr. ROOSEVELT. Mr. Speaker, the conference report on the amendments to the Social Security Act constitute substantial improvements for our senior citizens. It is with regret, however, that I note that some of the amendments adopted by the Senate were eliminated. Two in particular stand out: First, the provision which would have allowed recipients of old-age pensions to earn up to $50 a month without having their assistance diminished by such earnings. This amendment is so worthy that I intend to fight for it next year. It will add to the dignity of those receiving pensions and it is certainly a justified right. Secondly, I regret the elimination of the Senate provision that there be no discrimination based on sex in determining need. In my State of California, as well as in many other States, there is ample evidence that local authorities try to give less amounts to women than to men and there is certainly no evidence that the cost of living is any higher for men than it is for women.

On the affirmative side, I am happy to see that many of the things which Senator ESTES KEFAUVER and I fought for are included in the final bill. Outstanding, of course, is the reduction in the retirement age for widows and surviving dependent mothers from 65 to 62. Working women and wives will be given graduated benefits from 62 to 65, starting at 80 percent of the full amount they will receive at 65. Of great benefit also is the payment to those permanently and totally disabled of benefits beginning at the age of 50. It is interesting to note that members of the Christian Science Church and other churches who rely on spiritual healing and who refuse rehabilitation services would be deemed to have done so with good cause.

The bill, of course, also extends the social-security coverage to farm operators and share farmers, to ministers and to agricultural workers, as well as employees of nonprofit organizations. However, physicians and osteopaths were eliminated at the insistence of the American Medical Association.

Under the matching formula for pensions, the pensions will be increased from $55 to $60 and, although the final bill does not include the so-called pass-along provision adopted by the Senate which would have required the States to increase the pensions they pay by the same $10 amount, we in California have already taken care of that matter through the State legislature so our pensioners will receive a much-needed and well-deserved $10 increase.

I have a happy feeling that my efforts to help our senior citizens receive adequate pensions, under improved conditions, have been substantially successful. We still have a long way to go and I am pledged to continue the fight.

Mr. SEELY-BROWN. Mr. Speaker, I am advised that this morning the Senate pased a bill to launch a broad new program of Federal aid to depressed areas of the Nation. As has earlier been stated by the President, we must help deal with the pockets of chronic unemployment that here and there mar our Nation's general industrial prosperity. Certainly it is well recognized that economic changes in recent years have often been so rapid and so far-reaching in their effect that areas generally committed to a single local resource or industrial activity, such as the textile industry or have found themselves temporarily deprived of their markets and their jobs. I do believe that for communities so hit, a real sense of responsibility must remain with the people living there, and with their State, but I also am just as firmly convinced that a soundly conceived Federal partnership program can be of real assistance to the people in their efforts to help themselves.

I am well aware of the many problems involved in any legislation of this kind, and that every proper effort must be made to make sure that the legislation as drawn will not encourage further dislocation but will rather direct itself toward being of help and assistance to those communities which are so earnestly striving to help themselves.

I do urge that at the earliest possible moment we in the House be given the opportunity of debating fully and completely this important measure.

Mr. BLATNIK. Mr. Speaker, adoption of the conference report on H. R. 7225 represents the most historic and far-reaching improvements yet to be made in the Social Security System first enacted in 1935. This bill lowering the age at which women become eligible for benefits, providing disability insurance at age 50, expanding coverage to thousands of individuals not now covered, and increasing the Federal old-age assistance payment shares is a major step forward in providing the people of this Nation with a truly adequate and comprehensive social security program. However, there is still much to be done. We still have a long way to go before our present old-age programs, even with the

enactment of H. R. 7225, are truly adequate to meet the ever-increasing problems of old age and disability.

Ever since coming to Congress 10 years ago, Mr. Speaker, I have been greatly concerned with the problems facing the older citizens of our Nation. The problem of old age is one of the most serious facing us today. The poet Browning wrote the famous line, "Grow old along with me, the best is yet to be," but if we were to look at hard, cold facts today we could see that growing old brings on problems and complications which would test the strength of the youngest and strongest of us much less that of the older person.

The problem of old age is of national concern. It touches each of us, young and old alike. Consider for a moment that since 1900 the number of persons over 65 has quadrupled while the total population has only doubled. From 1947 to 1952 the population aged 65 and over, increased an almost unbelievable 17 percent while the total population in that same time increased only 5 percent. By 1975 there will be more than 20 million Americans 65 and over. There are over 14 million today, and the average income for a man and his wife over 65 today—one of the 14 million—is only $1,500. Their average savings are less than $500. Millions of old folks, Mr. Speaker, living on such pitifully small incomes in these days of high costs of living. The situation is becoming, if it isn't already, a national disgrace.

During the last 50 years, our national economy has moved from one based primarily upon agriculture to one of huge industrialization, creating many new and unanticipated social problems, particularly with respect to our older persons who are being shunted more and more to an insecure, dependent and much too hopeless and helpless a position in our society. They are being deprived of work because of their age and being forced to retire prematurely when they have good, active years ahead of them. As a result, many of our older people have inadequate financial resources to maintain themselves and their families as independent and self-respecting members of their communities, are unable to find adequate housing for themselves and their families, are confronted with disabling health and medical problems, are driven by frustration and despair to private and public mental institutions and general hospitals, and are placed in increasing numbers on old-age assistance rolls.

Because of the enormity of the problem even further improvements in the social security system should be enacted. The program in operation today is not designed to adequately assist the Nation's older, disabled, and dependent citizens. Basically we are still operating under a 1935 law trying to solve the social security problems of 1956. We do all in our power to modernize our laws dealing for highway construction, defense measures, and countless others, yet when it comes to the field of social welfare and social security we seem satisfied with things the way they are. It is no more logical to put the tremendous traffic of today on the roads of 1920 than it is to try to solve the problem of today's aged and disabled with programs developed two decades ago. Present law just is not designed to solve the tremendous problem confronting us today.

For instance, lowering the age at which women become eligible for benefits as provided in H. R. 7225, while it is a significant improvement over existing law, does not go far enough. Ever since coming to Congress I have urged that the retirement age in general, for men and women alike, be lowered to age 60. I have introduced a bill, H. R. 4471, with such a provision. I hope the day is not too far off when we truly face up to the problem and lower the retirement age to 60 for everyone.

Allowing disabled persons to obtain benefits at age 50, another provision of H. R. 7225, is a fine, progressive improvement in present law. It is estimated that in the first year of operation disability insurance benefits will be payable to about 250,000 workers, amounting to $200 million in benefits. Under the courageous leadership of Senator WALTER GEORGE this provision was retained in the Senate version of the bill in the face of determined opposition from the administration and an almost solid bloc of Republican votes against it. Actually, one could ask himself why must there be a disability age limit at all. When a person becomes totally disabled, bedridden, and unable to work, he is deserving of assistance. What we seem to be saying in H. R. 7225 is that a disabled person over 50 needs help, but a disabled person under 50 can take care of himself. Such is not the case, and everyone knows it. Yet the solution to the problem is shackled with this completely unrealistic age requirement. Disabled persons of whatever age need and deserve social security coverage and until such is the case, we will not be adequately discharging our duties to them. My bill, H. R. 4471, would entitled a disabled person to assistance at any age, and I am pleased to see such able leaders as Senator GEORGE, of Georgia, take a similar stand on this issue.

I was extremely pleased to see coverage extended to over 250,000 self-employed individuals and their families under H. R. 7225. This, again, is a great improvement and one I have long striven for. But we see once more the piecemeal approach to the problem. The real solution is to extend coverage to all persons—to enact a truly overall and comprehensive social security program for all today and not wait another few years to make a change here and a change there. The problem exists right now. We should not postpone the solution which we know to exist. Every moment lost just adds to the misery and tragedy of many of our older and disabled citizens. As Secretary of Health, Education, and Welfare Folsom has said, "Social legislation must change with changing social and economic conditions." These are fine sentiments, but we do not seem to be living up to them.

Apparently there are those who think we are unable to afford, from a financial standpoint, to take such a step toward the solution of the problem. Is it possible that a nation as rich as our cannot afford to provide security both financial and social to its older citizens who helped make it as rich and great as it is? I cannot believe that such is the case. Headlines blare out the good news that our economy is approaching the $400 billion mark. But how much publicity is given the fact that nearly three-fourths of all Americans over 65 years of age either have no income of their own or receive less than $1,000 a year? This is a sad commentary on our economy. While storage bins burst with surplus food, many of these older folks actually live on marginal or submarginal levels. I am convinced that our economy can withstand the expense of a real social security system.

In order for this Nation to continue to maintain the kind of liberty and freedom we have become accustomed to, Mr. Speaker, the Government must participate in programs which provide security for the individual against risks over which he has no control. It is not a negative concept of liberty or freedom which gives us our individual and collective strength, but rather the more positive approach involving the existence of those economic and social conditions necessary to enjoy the good life, and to exercise the privileges of free speech, press, and citizenship. We all know that a man who is unemployed for instance is far from free—that to him freedom is a hollow word hedged about with the misery which accompanies poverty and insecurity. By the same token we know that our old folks who live on a miserly old-age assistance pension are not really free and able to enjoy the liberties and rights which our form of government provides. Such problems as these led Franklin D. Roosevelt to observe that "in order to preserve our democratic institutions we need to prove that the practical operation of democratic government is equal to the task of protecting the security of the people." One group in America, Mr. Speaker, sorely in need of help in protecting such security is our older and disabled citizens. We must all be aware that millions of them have been watching and waiting to see whether this Congress would accept its responsibilities and enact legislation truly beneficial and helpful to the older folks. Some progress, indeed great progress has been made with the enactment of H. R. 7225. But we should not stop here. Having made such excellent progress this year I am confident that in the not too distant future we will see the dream of a truly comprehensive and adequate social security program become a reality.

Mr. KNOX. Mr. Speaker, it is my purpose to support the adoption of the conference report on the social-security amendments of 1956, H. R. 7225, and in doing so would like to commend the House conferees in the work they did with the Senate conferees on this important and meritorious legislation.

It is my view that within the limits of the matters germane to the conference a very desirable bill has been brought back to the House of Representatives for final approval. In making this observa-

tion I would like to express the opinion that certain improvements that should have been accomplished during this Congress are neglected in this legislation. The improvements that I have in mind that were not taken care of by the bill as agreed to in conference include such meritorious amendments as a liberalized retirement test so that America's aged citizens could lead more productive lives through employment without loss of their social-security entitlement.

I also believe that consideration should have been given to blanketing-in the present aged who are not now covered under social security so that those persons who have reached retirement age, and are not now eligible for benefits through no fault of their own, could begin to receive them. In this connection I would point out to my colleagues in the House that I introduced legislation, H. R. 9272, on February 13, 1956, to provide for the blanketing-in of the present aged on a basis that would guarantee against impairment of the actuarial soundness of the trust fund. If my proposed amendment to the Social Security Act had been adopted, our aged American citizens who met the eligibility requirements could have begun to draw benefits without concern over the iniquitous "needs test" and the humiliation that attends the acknowledgment of poverty that is required in order to be eligible for public assistance today.

In supporting this legislation I would like to make particular reference to four improvements provided by the conference report that I regard as particularly significant and meritorious. The first of these improvements pertains to the reporting of earnings by farm operators and tenant farmers. The legislation as modified in conference would provide a liberalized income reporting method so that small farmers may receive credit for a higher portion of their total income and thus become entitled to larger benefits than would be available to them under existing law. This change will result in more farmers becoming eligible for OASI benefits and the benefits to which they will be entitled will be higher than they would have obtained under present law. Tenant farmers will be regarded as self-employed individuals so that both the tenant farmer and the landowner may obtain coverage under the OASI program.

Agricultural workers would also be benefited under the conference agreement. Such workers would not be subject to social-security taxes if they are only casually engaged in employment and are not paid $150 or more in cash wages in the calendar year by one employer or if they perform less than 20 days of work for an employer during the calendar year. This change will not exclude from coverage those agricultural workers who should have the benefits of the OASI program but will save the employer of the occasional farmworker from the need of keeping records on casual employees that he hires for a very short time. In this respect another improvement that was adopted by the conferees was the exclusion from coverage of agricultural workers from foreign countries who are admitted to the United States on a temporary basis.

Another amendment that would be made to the Social Security Act by the conference agreement that I regard as particularly significant is the amendment providing disability benefits for the totally disabled individual upon the attainment of age 50. A serious benefit gap has existed in our social-security program to date in that disability benefits are not payable under the OASI system. It has always been my view that the family of a worker who is disabled is as much in need of disability benefits as is the family of a retired worker in need of retirement benefits or the family of a deceased worker in need of survivorship benefits. One of the principal purposes of the social-security program is that its benefits are the means whereby family ties have essentially remained intact where the untimely death of the principal wage earner of the family has occurred. I would point out to my colleagues in the House that the loss of income is just as complete under circumstances of total disability as it is under the circumstances of the death of the principal family provider. For that reason it is appropriate that disability benefits would be payable under this conference agreement.

It is true that the disability benefits provided by the conferenec agreement are available on a more conservative basis than benefits payable to the retired and to survivors under existing law. However, the conference agreement establishes a separate trust fund and allocates a separate tax payable to that trust fund so that as experience with this new aspect of the social-security program is gained a liberalization of the disability portion of the program may be undetaken if it is warranted. I predict, Mr. Speaker, that the disability benefits that will become payable under the conference agreement on H. R. 7225 will do much to make the old-age and survivors' insurance program more adequately meet an urgent need of the American people.

The third aspect of the report filed by the conferees on the Social Security Amendments of 1956 that I regard as particularly significant pertains to the public-assistance titles of the Social Security Act. I am gratified to observe that the amendments provided in the conference agreement to these public-assistance titles will insure to our aged, our disabled, our blind, and our dependent children a liberalized benefit level that more realistically recognizes the cost of even the barest subsistence today. It should be recognized that people who are compelled to avail themselves of public assistance are entitled to an adequate benefit commensurate with the costs of their living requirements in our present-day economy. For that reason I would observe that the benefit increases provided under the conference agreement are most meritorious.

The fourth aspect of the bill to which I would like to specifically refer pertains to the lowering of the retirement age for women under the old-age and survivors insurance program, from 65 years to 62 years. I am convinced that this retirement age should have been lowered even further with respect to women who are unable to obtain work because they have not previously been a participant in the labor market and who are without means of support because of the death of their husbands. The amendment contained in the conference report lowering the retirement age for women is a step in the right direction. Women will now be able to make an election as to whether they will retire or will continue working at an earlier date than is possible under the present law and in this way the old-age and survivors insurange program is made more realistic and more adequate.

I would also like to commend the conferees on the action that they have taken to preclude the payment of benefits to persons convicted of crimes that are traitorous in their nature and that would deny recognition for coverage purposes to employment by communistic-front organizations. I also subscribe to the action of the conferees imposing more stringent limitations on the payment of benefits to aliens. It has always been my view that the old-age and survivors' insurance program was established to provide for the welfare of American citizens and I strongly believe that it should be so limited. The payment of benefits to aliens constitutes a drain on the trust fund and results in the denial of benefit increases that might otherwise be possible for our American citizens. An amendment to public-assistance titles that merits the support of all Members of the Congress is the amendment that would provide on a 50–50 matching basis medical-care benefits. This amendment will do much to assure to our aged citizens the medical care that they, perhaps more than any other category of our citizenry, need so direly.

Mr. Speaker, I regret that in the time allotted to me I do not have a more adequate opportunity to discuss this conference report, the social-security program, and the changes must be accomplished in the future to make the program more fully meet the needs of our American citizens. It is my view that the social-security law more vitally affects our American polity than any other Federal statute. For that reason I think the Congress of the United States should be particularly attentive on a continuing basis to effecting changes and improvements in the law as they prove feasible. I am confident the Congress will undertake such attentiveness and will review the operation of the program to make sure that it is fiscally sound, economically adequate, and humanely equitable.

Mr. Speaker, it is my privilege to urge my colleagues in the House to support the adoption of the conference report on H. R. 7225.

AUTHORIZING SECRETARY OF AGRICULTURE TO PAY THE EXPENSES OF AN ADVISORY COMMITTEE ON SOIL AND WATER CONSERVATION

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3314) to authorize the Secretary of Agriculture to pay the expenses of an Advisory Committee on Soil and Water Conservation.

The Clerk read the title of the bill.